



SEC NIGERIA
SECURITIES AND EXCHANGE COMMISSION, NIGERIA



ANNUAL REPORT AND ACCOUNTS 2013

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OVERVIEW

At a Glance

- **Head Office: Abuja, Nigeria**
- **Seven Zonal Offices: Lagos, Kano, Port Harcourt, Kaduna, Ibadan, Onitsha & Maiduguri**
- **16 Departments**
- **590 Employees**

Who We Are

The Securities and Exchange Commission (The Commission) was established in 1979 as a government agency to regulate and develop the Nigerian capital market. It derives its mandate from the Investments and Securities Act (ISA), No. 29, 2007.

The Commission is the apex regulatory body of the Nigerian Capital Market, responsible for the regulation and development of the market and seeks to protect the rights and benefits of investors with the purpose of ensuring an efficient and widespread participation by the public in the securities market. Its responsibilities include registration of securities offered to the public by corporate entities, collective investment schemes and the government i.e.

public issue, private placement, rights issue, as well as the regulation of market intermediaries, mergers, acquisitions, takeovers and all forms of business combinations.

Core Objectives

The Commission's objectives include:

- ensuring the existence of a stable, orderly, transparent, fair, efficient and viable market that protects investors and is internationally competitive;
- effectively enforce the ISA, 2007, Rules & Regulations and Codes made pursuant thereto as well as other relevant laws.
- maintain zero tolerance for market abuses;
- develop and deepen the market by promoting the introduction of new products and processes;
- contribute to the nation's economic growth and development.

Vision Statement

To be Africa's leading capital market regulator.

Mission Statement

To develop and regulate a capital market that is dynamic, fair, transparent and efficient to contribute to the nation's economic development.

Our Brand Driver

...towards a world class market

Core Values

The Commission upholds the following core values:

- Transparency
- Integrity
- Proactiveness
- Fairness
- Excellence
- Accountability
- Teamwork

Strategic Goals

- To be a world-class regulator by transforming our resources towards achieving international best practices in the securities markets.
- To achieve improved participation of both retail and institutional investors in the capital market through enhanced investor confidence.
- To effectively contribute to the Federal Government's Transformation Programmes through improved processes, procedures and organizational culture.
- To leverage innovative technology for improved operational efficiency and market transformation.
- To achieve a diversified market with corresponding instruments through developmental projects and programmes.
- To attract, enhance and retain requisite human capacity.

Critical Success Factors

The success of the Strategic Goals is dependent on the following critical factors:

- increased and effective capital market awareness of the populace
- recovery of the global economy
- a strong and viable infrastructural base for the market
- enhanced earnings capacity of the population to enable savings and investment
- the Government's commitment to implement the Vision 20:2020 Plan Document

- effective and objective political and legislative decisions
- integrated co-operation among regulatory agencies in the finance industry
- a strong and stable money market
- encouragement of socio-cultural and religious practices that promote investments in diverse sectors of the economy
- the availability of funds
- trust and teamwork among the Commission's staff.

Functions and Powers Of The Commission

The Commission derives its powers from Section 13 of the Investments and Securities Act (ISA) No. 29, 2007, which provides as follows

The Commission shall be the apex regulatory organization for the Nigerian capital market and shall carry out the functions and exercise all the powers prescribed in this Act and, in particular, shall-

- (a) regulate investments and securities business in Nigeria as defined in this Act;
- (b) register and regulate securities exchanges, capital trade points, futures, options and derivatives exchanges, commodity exchanges and any other recognized investment exchange;
- (c) regulate all offers of securities by public companies and entities;
- (d) register securities of public companies;

(e) render assistance as may be deemed necessary to promoters and investors wishing to establish securities exchanges and capital trade points;

(f) prepare adequate guidelines and organize training programmes and disseminate information necessary for the establishment of securities exchanges and capital trade points;

(g) register and regulate corporate and individual capital market operators as defined in this Act;

(h) register and regulate the workings of venture capital funds and collective investments schemes in whatever form;

(i) facilitate the establishment of a nationwide system for securities trading in the Nigerian capital market in order to protect investors and maintain fair and orderly markets;

(j) facilitate the linking of all markets in securities with information and communication technology facilities;

(k) act in the public interest having regard to the protection of investors and the maintenance of fair and orderly markets and to this end establish a nationwide trust scheme to compensate investors whose losses are not covered under the investors protection funds administered by securities exchanges and capital trade points;

(l) keep and maintain a register of foreign portfolio investments;

(m) register and regulate securities depository companies, clearing and settlement companies, custodians of assets and securities, credit rating agencies and such other agencies and intermediaries;

(n) protect the integrity of the securities market against all forms of abuses including insider dealing;

(o) promote and register self regulatory organisations including securities exchanges, capital trade points and capital market trade associations to which it may delegate its powers;

(p) review, approve and regulate mergers, acquisitions, takeovers and all forms of business combinations and affected transactions of all companies as defined in this Act;

(q) authorise and regulate cross-border securities transactions;

(r) call for information from and inspect, conduct inquiries and audit of securities exchanges, capital market operators, collective investment schemes and all other regulated entities;

(s) promote investors' education and the training of all categories of intermediaries in the securities industry;

(t) call for, or furnish to any person, such information as may be considered necessary by it for the efficient discharge of its functions;

(u) levy fees, penalties and administrative costs of proceedings or other charges on any person in relation to

investments and securities business in Nigeria in accordance with the provisions of this Act;

(v) intervene in the management and control of capital market operators which it considers has failed, is failing or in crisis including entering into the premises and doing whatsoever the Commission deems necessary for the protection of investors;

(w) enter and seal up the premises of persons illegally carrying on capital market operations;

(x) in furtherance of its role of protecting the integrity of the securities market, seek judicial order to freeze the assets (including bank accounts) of any person whose assets were derived from the violation of this Act, or any securities law or regulation in Nigeria or other jurisdictions;

(y) relate effectively with domestic and foreign regulators and supervisors of other financial institutions including entering into co-operative agreement on matters of common interest;

(z) conduct research into all or any aspect of the securities industry;

(aa) prevent fraudulent and unfair trade practices relating to the securities industry;

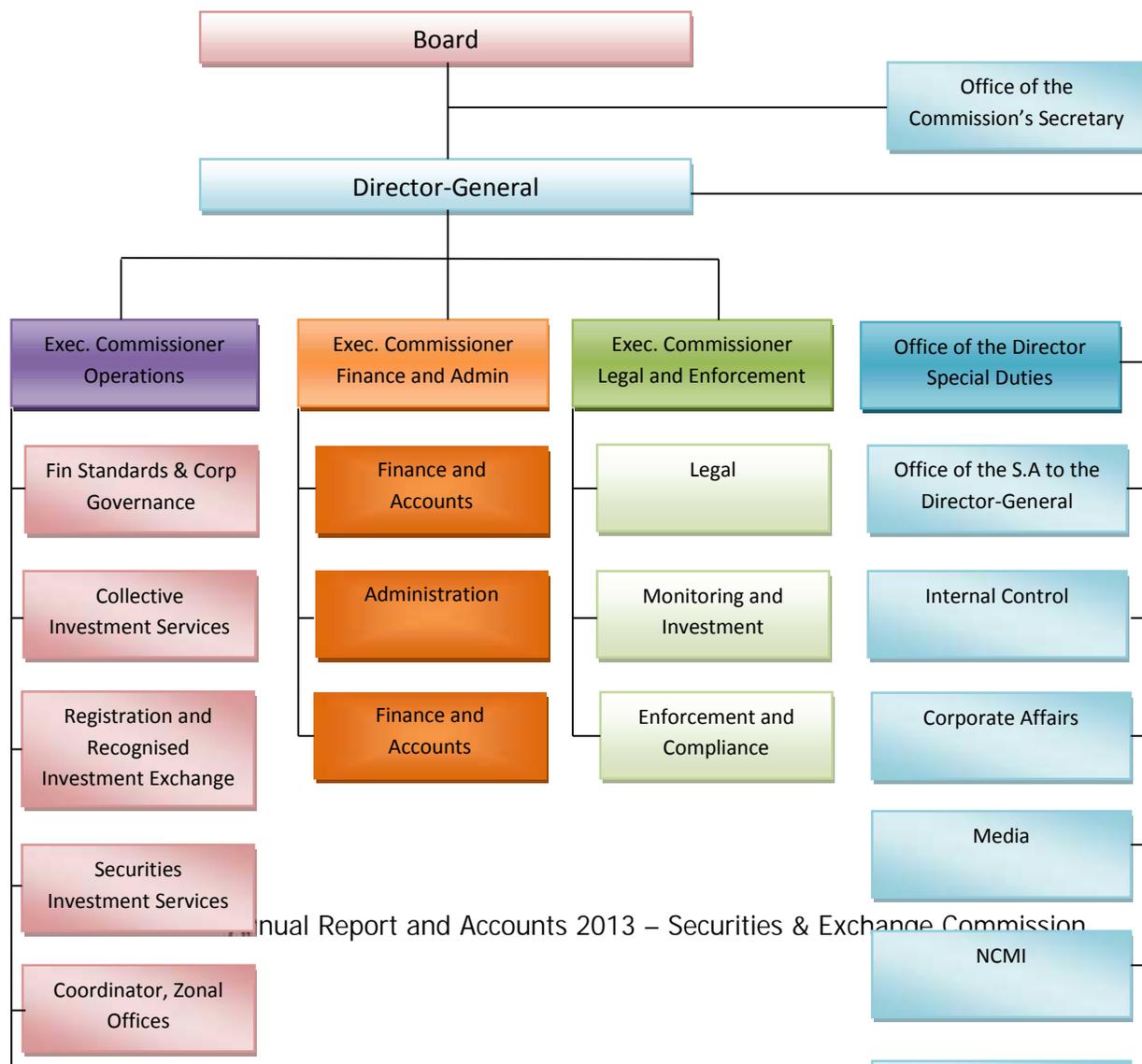
(bb) disqualify persons considered unfit from being employed in any arm of the securities industry;

(cc) advise the Minister on all matters relating to the securities industry; and

(dd) perform such other functions and exercise such other powers not inconsistent with this Act as are necessary or expedient for giving full effect to the provisions of this Act.

Organizational Structure

The Commission's structure consists of the Board, the office of the Director General and three Directorates headed by Executive Commissioners. The Board consists of the Chairman, Director General (Chief Executive Officer), three Executive Commissioners, two Non-executive Commissioners and a representative from the Central Bank of Nigeria and the Federal Ministry of Finance respectively.



CHAIRMAN'S MESSAGE

I hereby present to you the 2013 Annual Report and Accounts of the Commission.

In keeping with the mandate of the newly inaugurated Board of the Commission to drive market growth through innovation, financial inclusion and effectiveness, 2013 proved to be a year of immense improvement and development in the Nigerian capital market.

Domestic participation in the stock market improved favourably in 2013 due to on-going reforms and initiatives which affected market indices positively, as the All Share Index showed sustained growth throughout 2013. It experienced a major downside in June and August and declined by 4.31% and 4.39% respectively, owing partly to the remark of Ben Bernanke, Chairman of the US Federal Reserve Board about a potential beginning of the end of the Federal Reserve Board's quantitative easing. However, the All Share Index rallied and as at December 2013, stood at 39,562.75 points, indicating an appreciation of 40.90% year to date, exceeding the 35.45% appreciation recorded in 2012. In addition, total market capitalization closed at N18.60 trillion from N14.80 trillion in 2012, indicating an appreciation of 25.68% and an upsurge in market activity and market confidence. In contrast to the position in 2012, transactions on the Exchange also improved tremendously as turnover value stood at about N1.01 trillion from the sale

of over 104.20 billion securities in about 1.40 million deals. The trading value, volume of securities traded and number of deals appreciated in 2013 by 53.61%, 16.85% and 39.98% respectively.

In pressing forward with its Anti-Money Laundering/Combating Financial Terrorism agenda, the Commission inaugurated the Committee of Chief Compliance Officers of Capital Market Operators in Nigeria (CCCOCIN) to strengthen the AML/CFT regime and facilitate greater compliance by the market operators. The Commission's significant progress in improving its AML/CFT regime through enhanced supervision, established legal and regulatory framework and participation in AML/CFT compliance review sessions by regional group for Africa and the Middle East preceded the removal of Nigeria by the Financial Action Task Force from the list of high-risk jurisdictions. In addition, the Commission has amended and gazetted the "AML/CFT REGULATION FOR CAPITAL MARKET OPERATORS 2013" to conform with the amendments made by the National Assembly to the principal Acts (MONEY LAUNDERING PROHIBITION) ACT 2011 (as amended); AND TERRORISM (PREVENTION) ACT 2011 (as amended).

The proliferation of wonder banks/ponzi schemes in our market has been a continuous challenge to the Commission as victims of this malfeasance have been the investing

public. The Commission has periodically organized outreach programs and sensitizations on financial literacy to arm the investing public with sufficient knowledge to aid in combating these ills in the capital market. It is our belief that this would contribute immensely to sanitizing our market.

Through its newly reconstituted Administrative Proceedings Committee and the creation of a Call Centre as part of its complaints management mechanism, the Commission is poised to dispense speedy resolution to market related disputes and effectively manage market complaints. The Commission has also improved its inter-agency collaboration in 2013 and has cultivated a stronger working relationship with law enforcement agencies, with the Commission hosting resident teams from both the Federal Ministry of Justice and the Nigerian Police who assist in investigation and enforcement functions of the Commission, all geared towards a renewed drive for ensuring investor protection, market confidence and maintaining a strong and healthy market.

The Commission received one hundred and nine (109) applications in the course of the year for various capital market functions. Thirty seven (37) applicants were granted approval to operate in the capital market while three (3) applicants were denied approval for failure to meet the Commission's requirements. The other applications are still under process.

In implementing the recommendations of the International Monetary Fund sponsored FSAP report, the Commission has commenced the process of strengthening staff capacity in core areas. A Commission-wide restructuring was approved by the Board in 2013 for immediate implementation. In addition, the Commission is committed to engaging the services of proven professionals to its core areas of operations. The restructuring and recruitment efforts of the Commission is being undertaken with a view to enhancing staff capacity and experience as well as maximizing the potentials of the organization towards positively impacting the capital market and the Nigerian economy.

Distinguished ladies and gentlemen, with 2013 ending on an optimistic note for the market, the outlook of the capital market in 2014 remains positive. The Commission renews its commitment to excellence and will continue to sustain its improved regulatory and developmental roles.

Mal. Suleyman .A. Ndanusa, OON
Chairman Securities and Exchange Commission
March 2014

DIRECTOR GENERAL'S STATEMENT

I have the pleasure to present the Annual Report of the Securities and Exchange Commission for the year 2013.

2013 was a year of tremendous strides in the market as a new Board was inaugurated for the Commission. The Nigerian bond market witnessed the first supra-national bond worth N12.0 billion (US\$76 million) floated by the International Finance Corporation (IFC) early in 2013 and the first Sukuk of N11.4 billion sponsored by the Osun State Government, while the equities market capitalization achieved a new historical record on the 11th of June 2013, when it closed at N12.85 trillion to surpass the record of N12.46 trillion (by N0.21 trillion) set in 2008 just before the financial meltdown. The indicator rallied to end at N12.66 trillion by December 20, 2013 from N8.97 trillion in 2012 to record an appreciation of 41.14% year-to-date, in contrast to 2012, where the equity capitalization appreciated by 37.36%. In validating the market's position as an infrastructure partner to Nigerians, two (2) State governments (Lagos and Niger) raised a combined bond sums of N99.50 billion during the year. The total number of new issues in 2013 stood at Fifty-eight (58) with total value

of N1.16 trillion as against fifty (50) issues worth N1.06 trillion in 2012.

In demonstration of its commitment to restoring investor confidence in the market, the Commission commenced the process of verifying the actual quantum of unclaimed dividend in the capital market in conjunction with the Nigerian Stock Exchange, Central Securities Clearing System and four (4) top rated Accounting firms in Nigeria. The verification of unclaimed dividend exercise is expected to be carried out alongside the reconciliation of materialised and dematerialised share certificates.

The Commission took steps to strengthen its technological capacities to place it at par with global contemporaries, respond to the challenges of an increasingly technologically advanced market and phase out manual processing in a bid to evolve and fast track its processes. The Commission invested in an Enterprise Resource Planning System and automated its financial management processes to ultimately engender reduced overhead and improved efficiency. As an interim measure, while awaiting completion of the e-filing

process, the Commission introduced dedicated e-mail addresses to facilitate the on-line filing of applications by market intermediaries. Furthermore, the interconnectivity of all Zonal offices with the Head office has enhanced the Commission's internal operational efficiency and effectiveness in service delivery to the market place, while at the same time reducing cost of operation in areas of communication and travels. As part of the measures to ensure effective surveillance of the market, the Commission successfully interconnected its Head Office and Lagos Zonal Office with the trading floors of the Nigerian Stock Exchange (NSE) for on-line real time trade monitoring and has commenced full e-filing and e-review processes of transactions.

A key achievement of the Commission in 2013, was the inauguration of three (3) 10-Year Master Plan Committees; the Capital Market Master Plan Committee, the Capital Market Literacy Master Plan Committee, and the Non-Interest Capital Market Products Master Plan Committee, to articulate modalities for moving the market forward, with the long-term in view. This is in keeping with the Commission's market development mandate. The Committees presented their interim reports during the 3rd Annual CMC Retreat in November 2013 and are expected to submit their final reports by March 2014.

In a quest to deepen the market, the Commission registered the FMDQ and NASD OTC markets in December 2012 as

platforms to trade on bonds and unlisted companies. The NASD commenced trading in July 2013 while the FMDQ was launched on the 7th of November 2013. Additionally, the Ondo State Government has applied to the SEC for the registration of a Cocoa Exchange. This is aimed at revolutionizing cocoa production in Ondo State with attendant increase in employment capacity for the State.

In the regulation and enforcement front, the Commission is single-minded in addressing and reducing market infractions, with a view of further strengthening the market. Year-to-date, the Commission has placed fifteen (15) market operators on full suspension while one (1) market operator was cautioned, in line with the Commission's policy on zero tolerance on non compliance with market rules and regulations. Also, the business premises of 12 illegal operators were sealed up while 4 operators were brought before the Administrative Proceedings Committee (APC) of the Commission to answer various infractions alleged against them. Five hundred and ninety seven (597) new cases were received in 2013, bringing the total number of cases before the Commission to 1,116. Three hundred and sixty one (361) have been resolved; seven hundred and forty seven (747) cases are still under investigation while the remaining eight (8) cases alongside twenty six (26) cases received from the Commission's Zonal offices have been earmarked for enforcement action. So far, the Commission has recovered ₦410, 741, 639 million in cash and 1.61 million units of shares of various companies for investors.

The Commission also intensified its scrutiny of corporate governance compliance levels in 2013 in line with the provisions of the Corporate Governance Code of 2011. Of 198 publicly quoted companies, 152 submitted half yearly Corporate Governance returns and a compliance level of 85% was noted. Corporate Governance disclosures on annual reports were pegged at 70% while website disclosures are estimated at 35%. Identified areas of non-compliance have been communicated to affected companies while the Commission continues to monitor implementation of recommendations and general compliance levels.

Ms. Arunma Oteh
Director-General
Securities and Exchange Commission
March, 2014

There is therefore no gainsaying the fact that the Commission took great strides in 2013. Its varying actions and innovations in the course of 2013 were for a singular and unifying purpose: to maintain investors' confidence in the market in the years to come. And it is with this futuristic outlook that we set the stage for continuing progress in 2014.

OUR PEOPLE

Board of The Commission Inaugurated On January 15, 2013



Mal. Suleyman .A.Ndanusa, OON
Chairman



Ms Arunma Oteh, OON Director
General



Mr. Mounir H. Gwarzo
Executive Commissioner, Operations



Rt. Hon. Zakawanu I.Garuba Executive
Commissioner, Finance & Administration



Mrs Sa'adatu M. Bello
Executive Commissioner, Legal & Enforcement



Mrs Adefunke Abiodun Non-
Executive Commissioner



Mr. Ugochukwu Ikemba
Non-Executive Commissioner



Mr. Ifeanyi T. Nwaoha
Rep. Central Bank of Nigeria



Mr. Danladi I. Kifasi
Rep. Federal Ministry of Finance



Mr. Edosa Kennedy Aigbekaen
Secretary to the Commission

Executive Management



Ms Arunma Oteh, OON Director General



Mr. Mounir H. Gwarzo
Executive Commissioner, Operations



Rt. Hon. Zakawanu I. Garuba Executive
Commissioner, Finance & Administration



Mrs Sa'adatu M. Bello
Executive Commissioner, Legal &
Enforcement

Heads Of Department



Mr. Edosa Kennedy Aigbekaen
Secretary to the Commission & Director Legal
Department



Mr Moses Isiaku Director,
Registration and Recognized &
Investment Exchanges (RRIE)



Mr Abdul Zubairu
Director/Coordinator, Zonal Offices



Mr Abatcha Bulama
Director, Finance & Accounts



Mr Omotayo Adeleke Director, Internal
Control



Mr Bala Usman
Director, Monitoring &



Mrs Louisa Eni-Umukoro
Director, Securities & Investments Services



Ms Mary Uduk
Director, Collective Investment Services



Mrs Maryam Sallau
HOD, Human Resources



Mr O. W. Akpan
HOD, Research and Planning



Mr O. E. M. Elujekor
HOD, Enforcement & Compliance (E&C)



Mr Henry Rowland
HOD, Information Technology (IT)



Mr Shaka Braimah
HOD, Corporate Affairs



Mr E. Okolo
HOD, Financial Standard and
Corporate Governance (FS&CG)



Mr Andrew Tenmang
HOD, Administration



Mrs U. N. Molokwu
Head, Lagos Zonal Office



Mr Nestor Ikeagu
Head, Ibadan Zonal Office



Mr B. E. Archibong Head, Onitsha
Zonal Office



Mr Ismail Ville
Head, Port Harcourt Zonal Office



Mr. D. A. Ibrahim
Head, Maiduguri Zonal Office



Mr Hussein Dauda
Head, Kaduna Zonal Office



Mr Adamu Sambo Head, Kano Zonal
Office

STAFF SUMMARY

The Commission had 590 staff as at December 31, 2013 as categorized below:

Number of Staff according to cadre

S/N	Categories of Staff	Number
1.	Executive Management Staff	4
2.	Management staff	247
3.	Senior Staff	196
4.	Junior staff	143
	Total	590

SECTION 2

REPORT ON OPERATIONAL ACTIVITIES

- **Overview of the Market**
- **Primary Market**
- **Secondary Market**
- **Collective Investment**
- **Mergers, Acquisitions and Takeover**
- **Registration of Capital Market Operators**
- **Financial Standards and Corporate Governance**

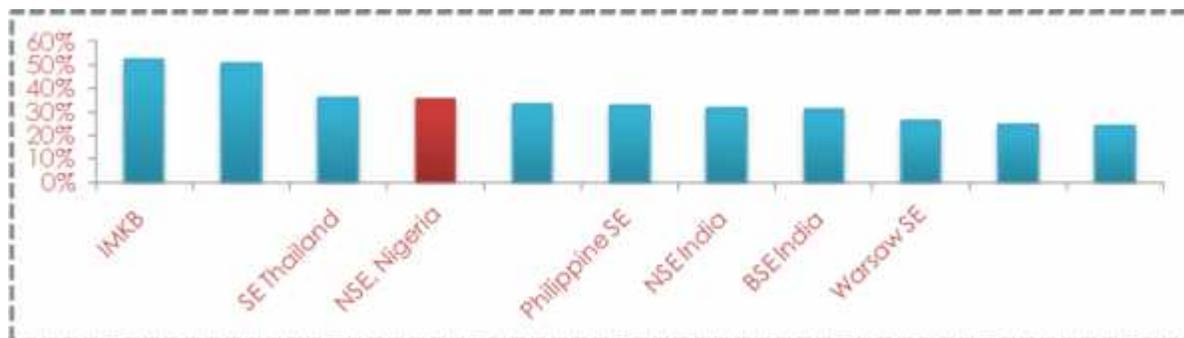
- **Market development Programmes**

OVERVIEW OF THE MARKET

The global economy witnessed a weak growth in 2012 as the world GDP dropped by 3%. The poor performance was attributed to the persistent crisis within the Euro-zone economies, according to the Conference Board. Consequently, the International Monetary Fund (IMF) had to reduce the projected global economic growth rate from to 3.5% for 2013 and 4.1% for 2014. However, most developing economies including Nigeria fared well. For instance Nigeria posted a GDP growth rate of 6.61% at the end of 2012 compared to the 7.43% in 2011.

According to the World Federation of Exchanges (WFE), 2012 was a very challenging year for exchanges. The volume of all products traded on WFE members were significantly down (22.5%) for equity transactions and (20%) for derivatives. However, the WFE reported a positive growth in market capitalization and index performance. The Chart below showed that the Nigerian market competed favorably with the top 10 member exchanges of the WFE.

Chart 2: Change in Broad Stock Index of Selected Exchanges



Source: Extracted from the report of the World Federation of Exchanges (WFE)

THE PRIMARY MARKET

Summary Of Approved Securities

The Commission approved /cleared the following applications:

1. Ten (10) Private Placements of 42,995,590,815 Ordinary Shares Valued at **₦89,294,699,014.5**
2. Two (2) Initial Public Offers (IPO) of 6,160,218,169 Ordinary Shares valued at **₦3,261,711,266.19**
3. Nine (9) Right Issues of 32,242,126,681 Ordinary Shares valued at **₦34,813,543,836**
4. Three (3) Corporate Bonds valued at **₦10,580,000,000**
5. Five (5) Shelf Registration valued at **₦176,000,000,000**

6. One (1) Supra-National Bond (IFC) valued at **₦12,000,000,000**
7. Six (6) Sub-National Bonds valued at **₦125,900,000,000**
8. Ten (10) existing securities of 13,492,111,100 Ordinary Shares valued at **₦10,996,176,550**
9. Eleven (11) Bonus Issues of 2,237,751,503 Ordinary Shares valued at **₦1,786,628,261**
10. Twenty five (25) Allotments valued at **₦313,122,079,837.54**

EQUITY

PRIVATE PLACEMENT

S/N	Issuer	Price (N:K)	Volume	Value	Purpose/ Use of Proceeds
1	Property Gate Dev. & Investment Plc	2.00	12,500,000	25,000,000	Additional funds to finance on-going real estate projects
2	Wema Bank Plc	1.50	13,333,333,333	19,999,999,999	To meet recapitalization requirement
3	Wema Bank Plc	1.50		35,000,000,001	To finance working capital requirement, upgrade branches, purchase work tools, build disaster recovery site and automate risk management and lending.

			23,333,333,334		
4	A.G Homes	0.60		1,260,000,000.00	Expansion of Branch Network, Enhancement of ICT Infrastructure, Increase in Working Capital and Assets.
			2,100,000,000		
5	Livestock Feeds Plc	1.13		904,000,000.00	To upgrade Technical Capacity (60%) and Working Capital (40%)
			800,000,000		
6	Rak Unity Petroleum Plc	7.90		340,104,156.10	To recapitalize the company by 67% and Working Capital 33%
			43,051,157		
7	Guinea Insurance Plc	0.50		370,000,000	Opening of new branches, Fixed Asset, Upgrading of information technology infrastructure of all branches and investments
			740,000,000		
8	(Trust Bond Mortgage Bank Plc) infrastructure Bank Plc	1.00			To recapitalize, , increase Shareholders Fund and improve IT
			500,000,000	500,000,000	
9	Oando Plc	15.00	2,046,706,324	30,700,594,860	For the execution of its strategic objectives through the acquisition of upstream/ mid-stream assets, and working capital
10	Food Concept Plc	2.25	86,666,667	194,999,998.5	Anti-dilution shares to IFC in connection with special placement
	Total		42,995,590,815	89,294,699,014.5	

INITIAL PUBLIC OFFER

S/N	Issuer	Price (N:K)	Volume	Value	Purpose
1	Resort Savings and Loans Plc			1,611,711,266.19	To meet capital requirement as a National Primary Mortgage Bank, ICT facility Upgrade and working capital
		0:51	3,160,218,169		
2			3,000,000,000	1,650,000,000	Recapitalization, branch network expansion, upgrade IT, and working capital
	Omoluabi Savings & Loans Plc	0.55			
Total			6,160,218,169	3,261,711,266.19	

RIGHTS ISSUE

S/N	Issuer	Price (N:K)	Volume	Value	Purpose
1	Property Gate Dev. & Investment Plc	1:00		37,500,000.00	To finance on-going real estate projects
			37,500,000		
2	African Prudential Registrars Plc	1:20		1,200,000,000.00	Business growth and expansion, investment in infrastructure and working capital
			1,000,000,000		
3	Nexans Kebelmetal Nigeria Plc	2.20		459,946,660.80	Refinancing its existing debt and further enhance its working capital
			209,066,664		
4	Berger Paint Nigerian Plc	7.50	72,455,862	543,418,965.00	Purchase of new equipments.
5	Sterling Bank Plc	2.12		12,484,572,223.44	For infrastructure/IT upgrade, working capital requirement and branch expansion
			5,888,949,162		
6	WAPIC Insurance Plc	0:55		3,492,818,110.65	To shore-up its capital base, expansion, investment in subsidiaries, IT and Infrastructure Upgrade
			6,350,578,383		
7	Resort Savings and Loans Plc	0:50		1,888,288,734.00	To meet capital requirement as a National Primary Mortgage Bank, , ICT facility Upgrade and working capital
			3,776,577,468		
8	Transcorp Plc	1:00		12,906,999,142.00	To refinance the acquisition of Ughelli Power Plc, Development of 18 new Hotels/Hospitality Assets and Exploration & development of oil prospecting license 281
			12,906,999,142		
9	UBA Capital Plc	0.90		1,800,000,000.00	Regional Business expansion across Africa, Seed Funding for an African Equity Fund, Investment, IT Infrastructure upgrade and working capital
			2,000,000,000		

34,813,543,836.00

Total

32,242,126,681

EXISTING SECURITIES

S/N	ISSUER	NOMINAL (N:K)	VALUE	VOLUME	VALUE
1.	Omoluabi Savings & Loans Plc		0:50	2,000,000,000	1,000,000,000.00
2.	FSDH Funding SPV Plc		0:50	250,000	125,000.00
3.	The La Casera Company Plc		0:50	800,000,000	400,000,000.00
4.	Computer Warehouse Group Plc		0:50	2,524,826,359	1,262,412,179.50
5.	Property gate Development & Investment Plc		1:50	244,000	244,000.00
6.	Capital Bancorp Plc		50	766,345,021	383,172,510.50
7.	NASD Plc		0:50	500,000,000	250,000,000.00
8.	Dala Building Society Plc		0:50	1,480,000,000	740,000,000.00
S/N	ISSUER	NOMINAL PRICE (N:K)	VOLUME (UNIT)	VALUE (N)	BONUS RATIO
10.	Niger Delta Exploration and Production Infinity Trust Mortgage Bank	10.00	30,234,742	4,170,445,720.00	2,085,222,860.00
Total				13,492,111,100	10,996,176,550.00
2.	International Breweries Plc	50	31,722,850	15,861,425.00	1:85
3.	Chemical & Allied Product Plc	50	140,000,000	70,000,000.00	1:4
4.	UAC Nigeria Plc	50	320,144,000	160,072,000.00	1:5
5.	First City Monument Bank Plc	50	761,643,920	761,643,920.00	1:25
6.	Okomu Oil Palm Plc	50	476,955,000	238,478,000.00	1:1
7.	Cutix Plc	50	352,264,406	176,132,203.00	2:3
8.	BOC Gases Plc	50	23,124,706	11,562,353.00	1:17

Bonus Issue

9.	Poly Products Nig. Plc	50	10,000,000	5,000,000.00	1:24
10.	Mobil Oil Production	50	60,699,210	30,049,605.00	1:5
11.	Guinness Nig. Plc	50	30,962,669	15,481,335.00	1:33
Total			2,237,751,503	1,786,628,261.00	

EQUITY ALLOTMENT CLEARED

S/N	ISSUER	ISSUE TYPE	PRICE N:K	VOLUME	VALUE(₦)	SUBSCRIPTION LEVEL (%)
1.	African Prudential Registrars Plc	Rights Issue	1.20	1,000,000,000	1,200,000,000,	100
2.	Sterling Bank Plc	Rights Issue	2.12	5,888,949,162	12,484,472,223.44	100
3.	Property Gate Development & Investment Plc	Rights Issue	1.00	37,500,000	37,500,000	100
4.	Property Gate Development & Investment Plc	Placement	1.00	12,500,000	12,500,000	100
5.	Nexans Kebelmetal Nigeria Plc	Rights Issue	2:20	209,066,664	459.946,660	100
6.	Berger Paint Nigerian Plc	Rights Issue	7.50	72,455,862	543,418,965	100
7.	Aso Savings and Loans Plc	Rights Issue	0:60	11,046,189,224	6,627,713,534	54.88
8.	Wapic Insurance Plc	Rights Issue	0:55	6,350,518,383	3,492,785,110	85.73
9.	Wema Babk Plc	Placement	1.50	23,333,333,333	34,999,999,999	57

10.	Transcorp Plc	Rights Issue	1.00	12,906,999,142	12,906,999,142	100
11.	African Paint Plc	Rights Issue	1.25	130,000,000	162,500,000	83.43
12.	Infrastructure Bank Plc	Rights Issue	1.00	1,551,500,000	1,551,500,000	54.85
13.	Oando Plc	Rights Issue	12:00	4,548,236,276	54,578,835,312	100
14.	Livestock Feeds Plc	Placement	1.13	800,000,000	904,000,000.00	100
15.	Rak Unity Petroleum Plc	Placement	7.90	43,051,157	340,104,156.10	100
16.	Guinea Insurance Plc	Placement	0.50	740,000,000	370,000,000.00	100
17.	Fanmilk Plc	Right Issue	3.00	449,917,132	1,349,751,396.00	100
18.	Wema Bank Plc	Placement	1.50	13,333,333,333	19,999,999,999	100
Total				82,453,549,668		
					151,192,079,836.54	

BONDS

Sub-National Bond

S/N	ISSUER	OFFER TYPE	PRICE (N:K)	VOLUME	VALUE (N)	Coupon Rate	Purpose
1.	Nassarawa State Govt.	N5Billion fixed rate bond due 2020 under the N20Billion MTN Programme	1000	5,000,000	5,000,000,000.00		For various developmental and Infrastructural projects of the state- Education Project (Hostel expansion) and Market Dev. Project (Complete Construction)
2.	Kogi State Govt.	N5Billion fixed rate bond due 2020 under the N20 Billion Debt Issuance Programme	1000	5,000,000	5,000,000,000.00		To finance infrastructure projects i.e. water works, housing units, multi-lane carriage way, construction of hospitals, dev. of Kogi House in F.C.T, dev. of modern motor parks. e.t.c

3.	Ekiti State Govt.		N5Billion fixed rate bond due 2020 under the N25 billion Debt Issuance Programme	1000	5,000,000	5,000,000,000.00			For the Construction of Roads, Bridge , rehabilitation of Ire Burnt Bricks Limited and the construction of Ekiti-Kete Pavillion
	S/N	ISSUER	OFFER TYPE	PRICE (N:K)	VOLUME	VALUE (N)	CUPON RATE		PURPOSE
4.1	Niger State Govt SDH Funding SPV		Offer for Subscription of N12Billion 14.75% fixed rate bond due 2018 under the N21 Billion MTN programme	1000	5,530,000	5,530,000,000.00	14.25 %		For the Construction of Roads, completion of Shiroro Bridge, development of the Garam site & services Scheme, construction of an international market and the completion of Three Arms Zone
5.	Lagos State Government		N87.5Billion Series 2 Bond under the N167.5Billion Debt Issuance Programme	1000	87,500,000	87,500,000,000.00			Infrastructure Developments (Roads, Rail, Buildings and Bridges etc), Health Facilities, Construction of Adiyen Water Project Phase II and Shoreline Protection Works
6.	Osun Company Plc	Sukuk	N11.4Billion 14.75% Sukuk (bond) Al-Ijara Tranche II under the N60billion Bond Issuance Programme of Osun State	1000	11,400,000	11,400,000,000.00			For construction of schools.
Total						125,900,000	125,900,000,000		

Corporate Bond

	Plc	under a N100 billion Debt Issuance Programme						FSDH Merchant Bank Ltd.
2	The La Casera Company Plc	N3billion Series I Bond Issuance under a N15 billion Debt Issuance Programme	1000	3,000,000	3,000,000,000.00	15.75 %		Repayment of bank loans, enhancement of distribution infrastructure and warehouse
3	Nig. Aviation Handling Co. (NAHCO)Plc	N2,850,000,000 Series II Bond Issuance under a N5,000,000,000 Bond Issuance Programme	1000	2,050,000	2,050,000,000.00	15.25 %		Inorganic expansion, procurement of equipment and working capital
TOTAL				10,580,000	10,580,000,000.00			

Supranational Bond

S/N	ISSUER	OFFER PRICE(N)	VALUE (N'B)	COUPON RATE	RATING OF BOND	YEAR OF MATURITY	PURPOSE
1	International Finance Corporation (IFC)	1,000	12,000,000,000.00	10.2 %	AAA (Standard & Poor's)	2018	- Raise local currency for private sector development financing - Promote Capital Markets development in the Nigerian economy

Bond Allotment Cleared (Corporate, Sub-National & Supra-National Bonds)

S/N	ISSUER	TYPE OF ISSUE	VOLUME	PRICE (N)	VALUE (N'B)	LEVEL OF SUBSCRIPTION (%)
1.	FSDH Funding SPV Plc	Subscription through Book Building	5,530,000	1000	5,530,000,000.00	100
2.	Osun Sukuk Company Plc	"	11,400,000	1,000	11,400,000,000.00	100
3.	The La Casera Company Plc	"	3,000,000	1,000	3,000,000,000.00	100
4.	Osun State Govt	"	30,000,000	1,000	30,000,000,000.00	100
5.	International Finance Corporation (IFC)	"	12,000,000	1,000	12,000,000,000.00	100
6.	Gombe State Govt.	"	20,000,000	1,000	20,000,000,000.00	100
7.	Lagos State Govt.	"	80,000,000	1,000	80,000,000,000.00	100
Total			161,930,000		161,930,000,000	

**Shelf
Registration
(Sub-**

National/Corporate Bond)

S/N	ISSUER	VALUE (N)
1	Nassarawa State Government	20,000,000,000.00
2	Kogi State Government	20,000,000,000.00
3	Niger State Government	21,000,000,000.00
4	FSDH Funding SPV Plc	100,000,000,000.00
5	The La Casera Company Plc	15,000,000,000.00
Total		176,000,000,000.00

Other Issues

- **Resort Savings and Loans Plc** Rights Issue of 3,776,577,468 ordinary shares of 50 kobo and IPO of 3,160,218,169 ordinary shares of 50 kobo each at 50 kobo and 51 kobo respectively were aborted due to low level of Subscriptions.

No Objections:

The following companies were granted No Objection letters to issue Eurobonds:

S/N	NAME	VALUE	DATE GRANTED	REMARKS
1.	Fidelity Bank Plc	Up to \$500 million	24/04/2013	To be listed on the Irish Stock Exchange
2.	Diamond Bank Plc	up to US\$750Million	18/07/2013	As above

- **GTBank** notified the Commission of the completion of GTB Finance B.V Issue of US\$400 Million 5-year 6% Fixed Rate Senior Notes due 2018, under its revalidated US2Billion Global Medium Term Note Programme.

The Notes are irrevocably and unconditionally guaranteed by GTBank and were admitted to trading on the London Stock Exchange.

- The proposed share reconstruction of International Energy Insurance (IEI) Plc from 6,420,427,449 Ordinary Shares of 50 kobo each to 1,284,085,489 ordinary shares of 50 kobo each was approved in March 2013.

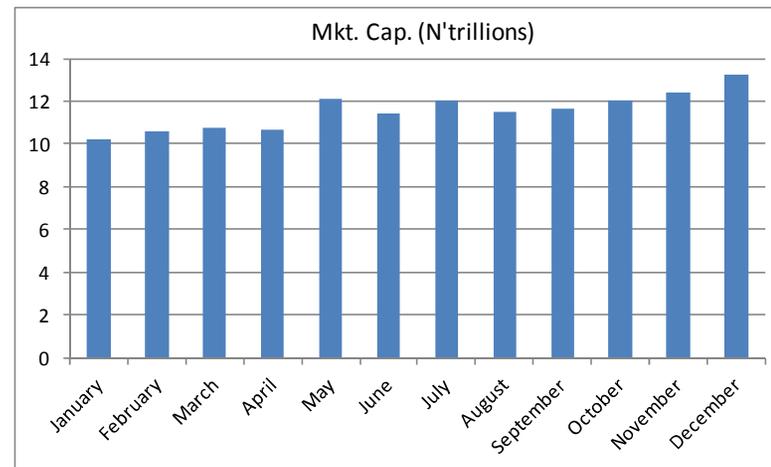
SECONDARY MARKET

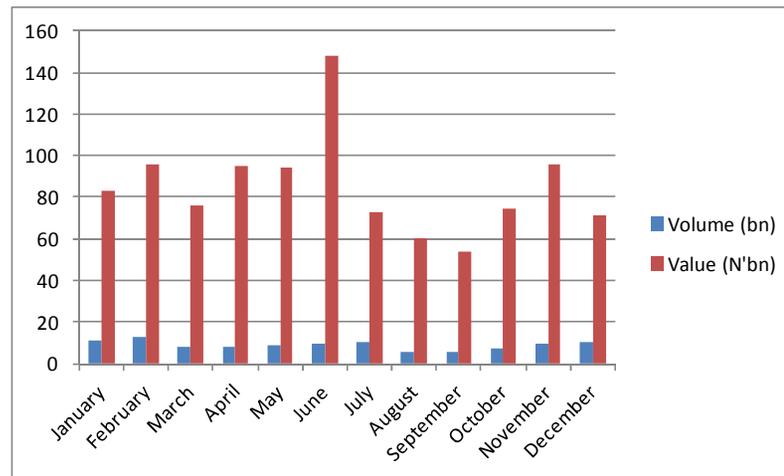
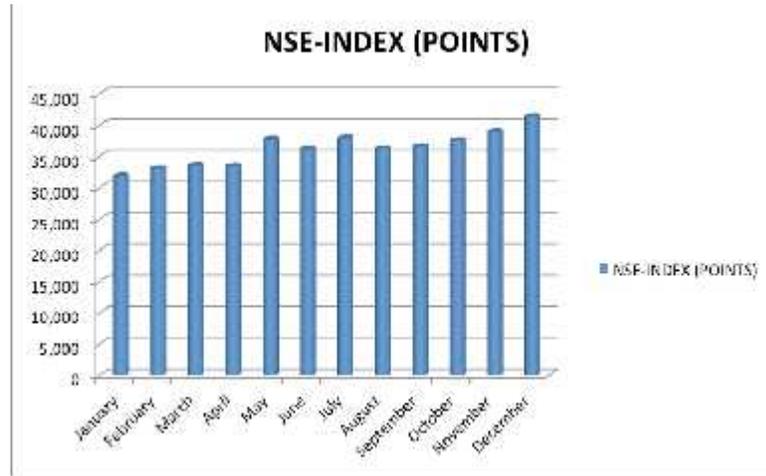
Secondary Market Report

Market capitalization rose from N8.974 trillion as at December 2012 to close at N13.226 trillion on December 31, 2013, representing an increase of 47.4% while the All Share Index (ASI) rose from 28,078.81 points as at December 31, 2012 to close at 41,329.19 points representing an increase of 47.2 %.

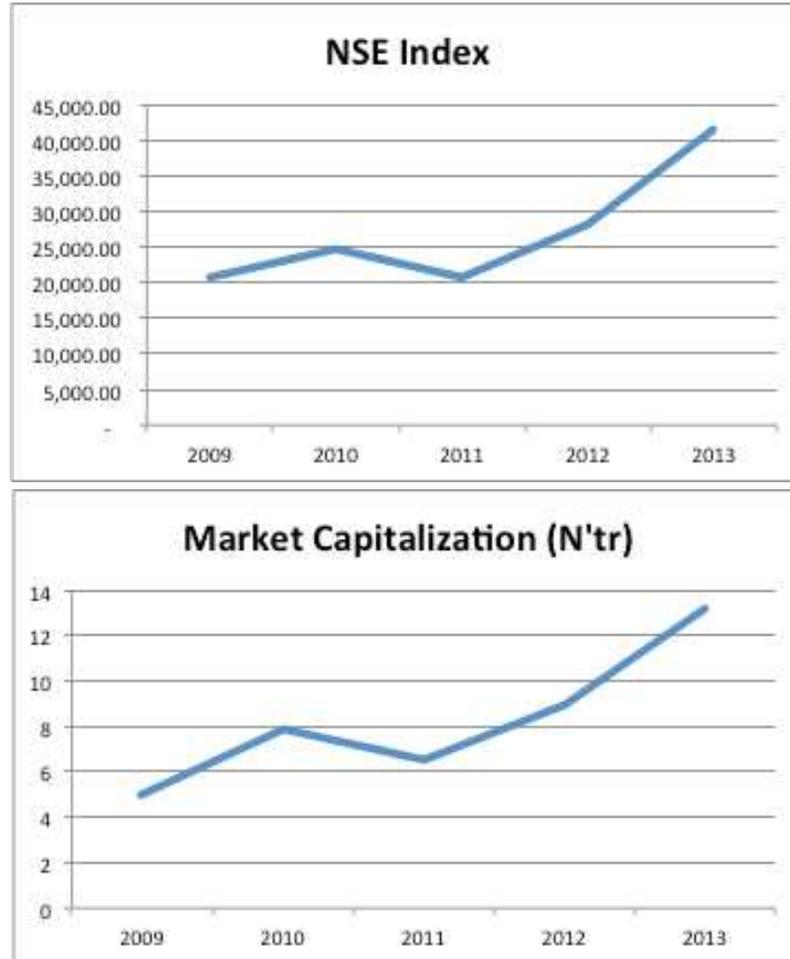
A turnover of 105.99 billion shares worth N1.02 trillion was recorded for the year compared to 87.75 billion shares worth N651.17 billion recorded in 2012, representing an appreciation of 20 percent and 56 percent in volume and value respectively.

DATE	VOLUME (bn)	N	NSE-INDEX (POINTS)	N
		VALUE (bn)		MKT-CAP (Trillion)
January	11.19	83.29	31,853.19	10.19
February	12.52	95.74	33,075.14	10.58
March	8.11	75.93	33,536.25	10.73
April	8.29	95.31	33,440.57	10.69
May	8.66	94.34	37,794.75	12.08
June	9.73	147.6	36,164.31	11.43
July	16.18	73.21	37,914.33	12.01
August	5.58	60.02	36,243.38	11.5
September	5.39	54.09	36,585.08	11.65
October	7.01	74.61	37,622.74	12.02
November	9.51	95.40	38,920.85	12.45
December	10.02	71.12	41,329.19	13.226
Total for 2013	105.99	1020.66	41,329.19	13.226
Total for 2012	87.75	651.17	28,078.81	8.974
% Change	20.8%	56.7%	47.2%	47.4%

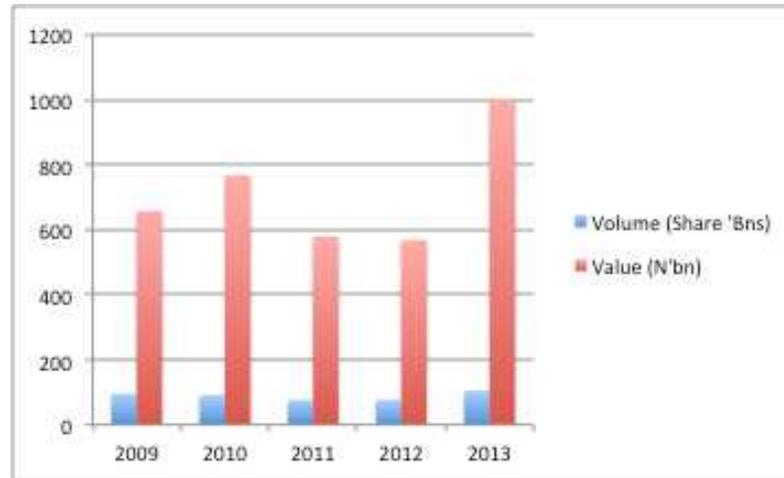




Five-Year Trend Analysis



Market Capitalization and the All-Share Index both followed similar trends as shown above; the former starting at N4.98 trillion in 2009YE and finishing at N13.22 trillion in 2013, whilst the latter rose from 20,827.17 points in 2009 to 41,329.19 points in 2013.



Market turnover stood at a total of 95.34 billion shares worth N657.14billion in 2009, and increased to a total of 105.09 billion shares traded in 2013, with a total value of N1.02trillion.

LISTINGS/DELISTINGS

In 2013, there were ten (10) new listings, twenty-six (26) supplementary listings and seven (7) delistings, compared to fifteen (15), sixteen (16) and five (5) in 2012, respectively.

New Listings

S/N	Security	No. of Shares	Price (N)	Date Listed
1.	UBA Capital Plc	4, 000, 000,	1. 1.59	January 11, 2013
2.	Africa Prudential Registrars Plc	1, 000, 000, 000		January 11, 2013
3.	FCMB Holding Company	19,802,710,754		June 24, 2013
4.	Lagos State of Nigeria	80,000,000,000	1,000	February 1, 2013
5.	Gombe State of Nigeria	20,000,000,000	1,000	February 11, 2013
6.	C & I Leasing	940,000,000	1,000	April 15, 2013
7.	Osun State of Nigeria	30,000,000,000	1,000	April 23, 2013
8.	IFC Bond	12,000,000,000	1,000	March 26, 2013
9.	UPDC Real Estate Investment and Trust	2,668,269,500	10.00	July 1, 2013
10.	Computer Warehouse Group Plc	2, 524, 826, 359	5.48	November 15, 2013
11.	Infinity Trust Bank Plc	4,170,455, 720	1.50	December 11, 2013

Supplementary Listings

S/N	Security	No. of Shares	Date Listed
1.	Transnational Corporation of Nigeria Plc	12,906,999,142	August 27, 2013
2.	African Paints Nigeria Plc	108,461,038	August 28, 2013
3.	Linkage Assurance Plc	2, 897, 207, 843	January 18, 2013
4.	Wapic Insurance Plc	2, 911, 954, 418	January 28, 2013
5.	Crusader Nigeria Plc	3, 064, 686, 154	February 15, 2013
6.	Guinness Nigeria Plc	30, 962, 669	February 8, 2013
7.	Guinea Insurance Plc	740,000,000	March 28, 2013
8.	First City Monument Bank Plc	329,197,001	March 28, 2013
9.	Custodian and Allied Insurance Plc and Crusader (Nigeria) Plc	781,017,387	May 13, 2013
10.	BOC Gases Plc	23,124,706	May 14, 2013
11.	Okomu Oil Plc	479,955,000	May 14, 2013
12.	CAP Plc	140,000,000	May 27, 2013
13.	UACN Plc	320,144,064	May 27, 2013
14.	Flour Mills of Nigeria Plc	50,893,281	April 11, 2013

15.	Rak Unity Petroleum Plc	43,051,159	
16.	Livestock Feeds Plc	800,000,000	April 25, 2013
17.	First City Monument Bank Plc	761,642,721	June 5, 2013
18.	Oando Plc	4,548,236,276	June 10, 2013
19.	Courteville Business Solutions Plc	592,000,000	July 10, 2013
20.	Transnational Corporation of Nigeria Plc	12,906,999,142	August 27, 2013
21.	African Paints Nigeria Plc	108,461,038	August 28, 2013
22.	Ecobank Transnational Incorporated (ETI)	3,125,000,000	September 5, 2011
23.	Wapic Insurance Plc	5,444,590,269	September 18, 2013
24.	Wema Bank Plc	26,227,123,333	October 21, 2013
25.	Berger Paints Nigeria Plc	72,455,862	December 10, 2013
26.	Cadbury Nigeria Plc	1,186,079	December 10, 2013.

Delistings

S/N	Security	Reason	Date
1.	Crusader (Nigeria) Plc	Converted to equity	May 13, 2013
2.	FGN MAY 2013 bond	Maturity	May 30, 2013
3.	Nigerian Bag Manufacturing Company Plc	Merged with flourmills plc	April 11, 2013.
4.	West African Aluminum Plc (Waap) and Nigerian Wire Industries Plc	Regulatory Delisting	June 4, 2013
5.	First City Monument Bank Plc	CBN Directive on Divestment	June 24, 2013
7.	Poly Products Nigeria Plc	Voluntary	Dec 12, 2013

Technical Suspension

S/N	Security	Period	Reason
1.	International Energy Insurance Plc	June 6 – July 19 2013	To consolidate its outstanding shares from 6,420,427,449 shares to 1,284,085,489 shares i.e. 1 share for every 5 shares held from Thursday 6th to Thursday 20th June, 2013.
2.	Crusader Plc	April 8 – May 13, 2013.	Scheme of merger between Custodian and Allied Insurance Plc and Crusader Plc shares.

Price Adjustments

The prices of sixteen (16) equities were adjusted for dividend, as approved by the Board of Directors of the companies as shown below.

S/N	Company	Dividend Per Share (N)
1	Vitafoam Nigeria Plc	0.30
2	Nigerian Breweries	3.00
3	ABC Transport Plc	0.13
4	Aiico Plc	0.08
5	Conoil Plc	1.00
6	Red Star Express Plc	0.32
7	University Press	0.35
8	Guaranty Trust Bank Plc	0.25
9	Access Bank Plc	0.25
10	Roads Nigeria Plc	0.60
11	Honeywell Flour Mills Plc	0.16
12	Continental Reinsurance Plc	0.10
13	Chellarams Plc	0.05
14	PZ Cussons Nigeria Plc	0.56

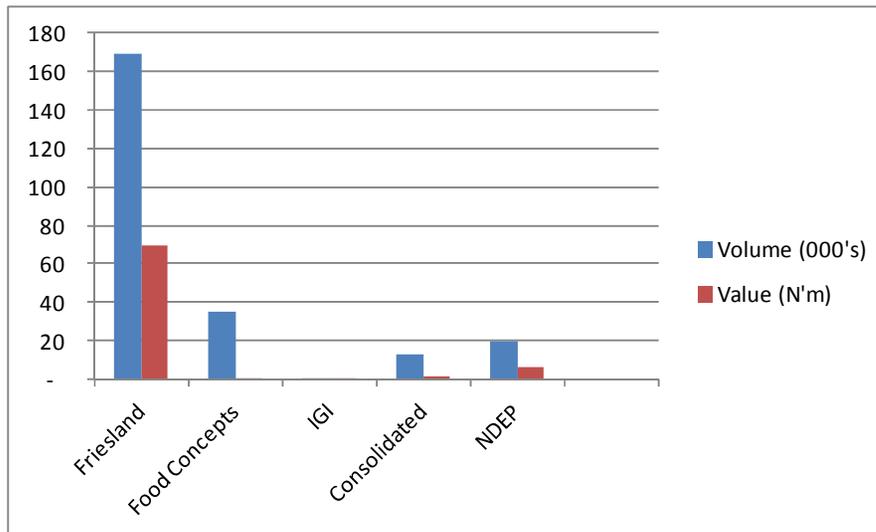
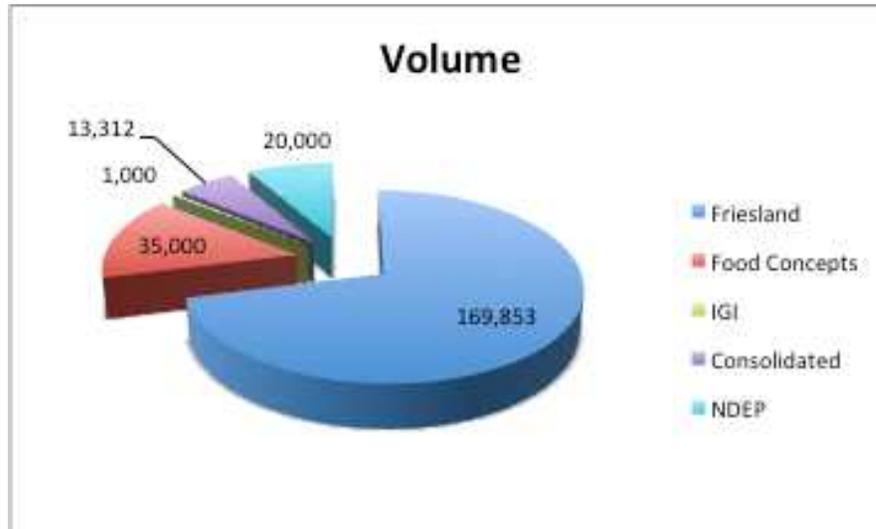
15	Avoncrown Caps Plc	0.05
16	Mansard Insurance Plc	0.04

Over-The-Counter (OTC) Market– NASD Plc

The OTC market reported thirty-four (34) deals from its inception in July 2013 to December 2013, with a volume of 239,165 shares and a total value of N76.57million.

Five (5) securities are currently being traded on the platform.

S/N	Security	Code	Deals
1	Friesland Campina	SDFCWAMCO	24
2	Food Concepts Plc	SDFOODCPT	2
3	Industrial & General Ins. Plc	SDIGIPLC	1
4	Consolidated Breweries Plc	SDCILBREW	3
5	Niger Delta E&P Plc	SDNDEP	4



COLLECTIVE INVESTMENT SCHEMES

An Overview

There were forty six (46) operational & registered Unit Trust Schemes, three (3) Real Estate Investment Trust Schemes (REITS), and one (1) Exchange Traded Fund (ETF). The Unit Trust Schemes and REITs had a combined total Net Asset Value (NAV) of ₦ 152.2 billion in 2013 compared to 44 operational Unit Trust Schemes and two REITs with a combined total NAV of ₦104.6 billion as at December 2012. This represents an increase of 45.5% which is attributed to the general growth of the market, authorization of new Schemes as well as the growth of existing schemes.

The Market Capitalization of the Exchange Traded Fund was ₦ 277.8 million as at December 2013, a decrease from ₦ 1.013 billion as at December 2012, this represents a decline of about 73%. The decrease was attributed to the fall in the price of Gold (the underlying asset of the ETF) as well as the substantial redemption of units of the ETF by the issuer among other factors.

Private Equity, Infrastructure and Venture Capital Funds also had a combined NAV of N80, 534,009,109.93 for the period.

Initiatives regarding Collective Investment Schemes for the year include:

- collaboration with the Fund Managers Association of Nigeria (FMAN) with respect to the adoption and implementation of the proposed CIS Roadmap/Strategy Document,
- modalities to provide guidance on the tax liability of CIS (as a forerunner to engaging the Federal Inland Revenue Services (FIRS)),
- discussion with FMAN and other stakeholders on the proposed implementation of the Global Investment Performance Standards (GIPS).

The transfer of the Nigeria International Growth Fund from Fidelity Bank Plc. to Investment One Financial Services Ltd was concluded in the year. Cashcraft Asset Management relinquished management of the Anchor and Bedrock Funds further to a directive of the Commission, while a 'no objection' was issued for the merger of the Nigerian Global Investment Fund and the Chapel Hill Denham Millennium Fund.

The new developments recorded under Collective Investment Schemes include:

1. Two applications for the approval of foreign Schemes (Allan Gray Africa Equity Fund & IPRO);
2. The application for registration of the first Islamic Exchange Traded Fund (ETF), (Lotus Halal Equity Index ETF);
3. The approval and registration of the first indigenous ETF (Vetiva Griffin 30 ETF) and
4. The application for registration of two Infrastructure Funds (the Nigerian Infrastructure Investment Fund 1 & ARM Infrastructure Fund).

Further to these developments, the draft Rules on Infrastructure Fund were reviewed and new Rules drafted for the approval and operation of Foreign Schemes and Investment Restrictions for Schemes as a risk management measure.

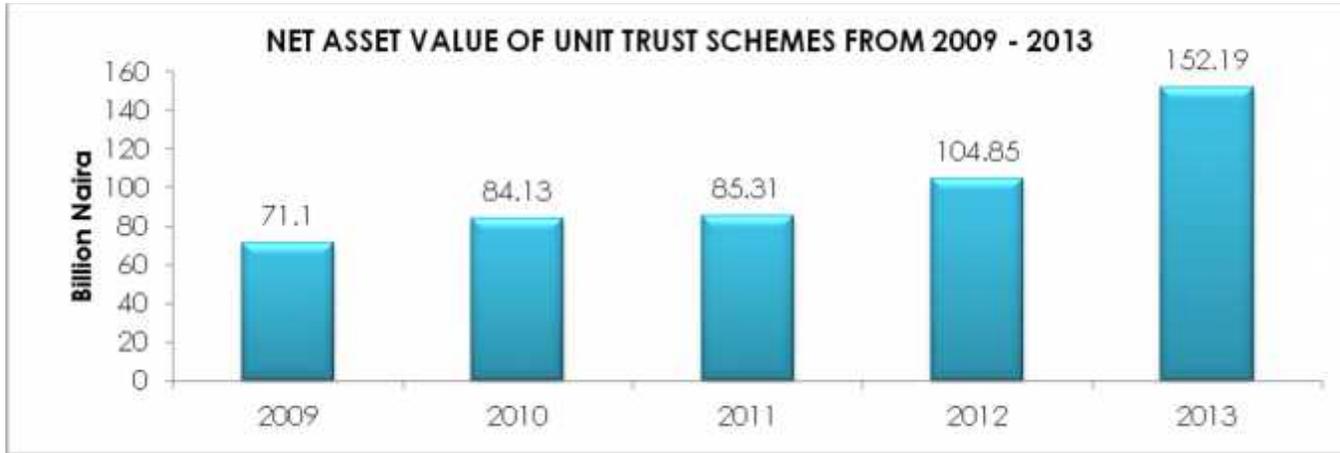
Seven (7) new applications for registration of Collective Investment Schemes were reviewed and approved, while Seventeen (17) Trust Deeds of existing Schemes were reviewed and approved to ensure compliance with amended Rules and changes in the Schemes' structure.

Snapshot Of Registered Collective Investment Schemes

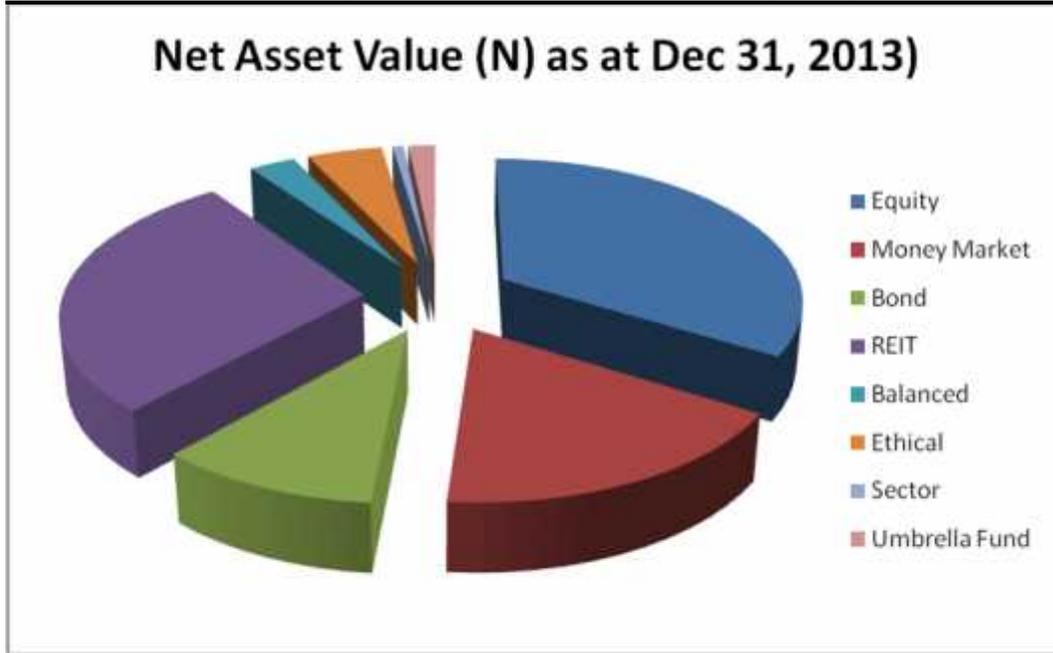
UNIT TRUST SCHEME		
Type of Fund (As at Dec 31 st 2013)	Number	Net Asset Value (N)
Equity	19	51,469,086,080.99
Money Market	4	26,786,864,363.48
Bond	9	15,510,725,267.24
REIT	3	43,378,980,601.45
Balanced	7	4,375,361,453.38
Ethical	5	7,127,160,979.89
Sector	1	1,038,823,918.89
Umbrella Fund	1	2,512,408,090.59
Total	49	152,199,410,755.91

NUMBER OF UNIT HOLDERS: 165,748

EXCHANGE TRADED FUND	
Funds (As at Dec 31 st 2013)	Market Capitalization (N)
ETFs New Gold	277,800,000.00
PRIVATE EQUITY & INFRASTRUCTURE FUNDS (As at Dec 31 st 2013)	
Private Equity & Infrastructure Funds with AUM of US\$ 450 million (an equivalent of ₦70,200,000,000.00)	
VENTURE CAPITAL (As at Dec 31 st 2013)	
Registered Companies	AUM
Seven (7)	10,334,099,109.93



NET ASSET VALUE OF REGISTERED UNIT TRUST SCHEMES BY CLASSIFICATION



Growth In The Net Asset Value Of Registered Unit Trust Schemes By Classification

Equity Based Funds

There were nineteen (19) Funds in this sector with a NAV of ₦51,469,086,080.99 as at December 31, 2013 compared to same number of funds with a NAV of ₦42,933,789,031.32 in December 31, 2012; representing an increase of 20%.

The breakdown is as follows:

S/N	NAME OF FUND	FUND MANAGER	NAV AS AT 31ST DECEMBER 2012 (₦)	NAV AS AT 31ST DECEMBER 2013 (₦)	% CHANGE
1	Stanbic IBTC Nigerian Equity Fund	Stanbic IBTC Asset Mgt. Limited	14,247,322,214.46	15,265,821,620.89	7
2	ARM Discovery Fund	Asset & Resource Mgt. Limited	5,576,134,674.00	6,044,367,401.00	9
3	Coral Growth Fund	FSDH Asset Mgt. Limited	3,800,520,099.89	4,299,747,155.59	13
4	Nig. Int'l Growth Fund	Investment One Fin. Services Ltd.	2,655,390,425.77	2,008,645,265.83	(24)
5	Legacy Equity Fund	First City Asset Mgt. Limited	766,639,280.64	886,115,224.98	16
6	IMB Energy Master Fund	First City Asset Mgt. Limited	384,769,987.95	570,424,620.23	48
7	Frontier Fund	Sterling Capital Markets Limited	154,379,490.58	175,343,670.10	14
8	Denham Mgt. Millennium Fund	Chapel Hill Denham Mgt. Limited	22,323,094.08	31,483,480.78	40
9	Paramount Equity Fund	Chapel Hill Denham Mgt. Limited	215,967,316.97	259,979,631.03	21
10	UBA Equity	UBA Asset Mgt.	1,670,444,298.95		7

	Fund	Limited		1,783,678,994.52	
11	ARM Aggressive Growth Fund	Asset & Resource Mgt. Limited	3,087,214,141.00	4,310,016,735.00	40
12	ACAP Canary Growth Fund	Alternative Capital Partners Limited	1,276,943,502.23	1,371,965,601.13	8
13	Bedrock Fund	Cashcraft Asset Mgt. Limited	110,330,960.57	On suspension	N/A
14	Anchor Fund	Cashcraft Asset Mgt. Limited	41,667,126.47	On suspension	N/A
15	Zenith Equity Fund	Zenith Capital Limited	3,913,309,453.31	4,393,715,523.06	13
16	Afrinvest Equity Fund	Afrinvest West Africa Limited	456,297,983.72	555,110,253.69	22
17	SIM Capital Alliance Value Fund	SIM Capital Alliance Limited	4,080,881,693.21	4,456,653,867.78	9
18	FBN Heritage	FBN Capital Asset Mgt. Limited	4,711,521,877.17	4,809,896,906.69	2
19	BGL Nubian Fund	BGL Asset Mgt. Limited	185,101,485.63	246,120,128.69	33
	Total		42,933,789,031.32	51,469,086,080.99	20

Money Market Funds

There were four (4) Money Market Funds with a Net Asset Value of ₦26,786,864,363.48 as at December 31, 2013 compared to ₦14,227,677,913.64 in December 31, 2012, representing an increase of 88.7%. The growth in the NAV of the Money Market Funds was largely attributed to the registration of one new Money Market Fund as well as substantial growth in an existing fund.

The breakdown is as follows:

S/N	NAME OF FUND	FUND MANAGER	NAV AS AT 31ST DECEMBER 2012 (₦)	NAV AS AT 31ST DECEMBER 2013 (₦)	% CHANGE
1	UBA Money Market Fund	UBA Asset Mgt. Limited	188,508,831.36	183,433,851.31	(3)
2	FBN Money Market Fund	FBN Capital Asset Mgt. Limited	1,625,122,673.29	4,611,903,400.00	188
3	Stanbic IBTC Money Market Fund	Stanbic IBTC Asset Mgt. Limited	12,414,046,408.99	19,307,698,476.17	56
4	ARM Money Market Fund	Asset & Resource Mgt. Limited	Not yet registered	2,683,828,636.00	N/A
Total			14,227,677,913.64	26,786,864,363.48	88.7

Bond Funds

There were nine (9) Bond Funds with a NAV of ₦15,510,725,267.24 as at December 31, 2013 compared to the same number of Funds with NAV of ₦13,236,083,547.40 in December 31, 2012; representing an increase of 17.4%.

The breakdown is as follows:

S/N	NAME OF FUND	FUND MANAGER	NAV AS AT 31ST DECEMBER 2012 (₦)	NAV AS AT 31ST DECEMBER 2013 (₦)	% CHANGE
1	UBA Bond Fund	UBA Asset Mgt. Limited	385,411,985.39	407,639,061.10	5.8
2	Nig. Int'l Debt Fund	Afrinvest West Africa Limited	2,117,573,180.86	2,117,887,342.65	0.015
3	Stanbic IBTC Bond Fund	Stanbic IBTC Asset Mgt. Limited	1,897,659,238.61	1,053,154,178.00	(45)
4	FBN Fixed Income Fund	FBN Capital Asset Mgt. Limited	1,758,340,075.29	3,503,156,423.58	99
5	BGL Sapphire Fund	BGL Asset Mgt. Ltd.	571,821,951.84	568,014,763.92	(0.7)
6	Zenith Income Fund	Zenith Capital Limited	670,802,565.93	686,141,516.17	2.2
7	Kakawa Guaranteed Income Fund	Kakawa Asset Mgt. Limited	2,969,753,501.49	4,226,679,145.48	42
8	Stanbic IBTC Guaranteed Investment Fund	Stanbic IBTC Asset Mgt. Limited	2,208,078,878.22	2,191,218,443.84	0.77
9	Coral Income Fund	FSDH Asset Mgt. Limited	656,642,169.77	756,834,392.50	15
Total			13,236,083,547.40	15,510,725,267.24	17.4

Real Estate Investment Trust Schemes (REITS)

The sector has three (3) Funds with a total NAV of ₦43,378,980,601.45 as at December 31, 2013 compared to ₦16,000,229,599.81 as at December 31, 2012, representing an increase of 171%. The growth in the NAV of the REITS was attributed to the authorization of one new Real Estate Investment Trust Scheme.

The breakdown is as follows:

S/N	NAME OF FUND	FUND MANAGER	NAV AS AT 31ST DECEMBER 2012 (₦)	NAV AS AT 31ST DECEMBER 2013 (₦)	% CHANGE
1	Skye Shelter Fund	SFS Capital Nigeria Limited	2,335,469,455.12	2,262,397,632.81	(3.4)
2	Union Homes REIT	Union Homes Saving & Loan Plc	13,664,760,144.69	13,834,847,980.99	0.95
3	UPDC REIT	FSDH Asset Mgt. Limited	Not yet registered	27,281,734,987.65	N/A
Total			16,000,229,599.81	43,378,980,601.45	171

Ethical Based Funds

The sector had a total of five (5) funds with NAV of ₦7,127,160,979.89 as at December 31, 2013 compared to four (4) Funds with NAV of ₦6,258,422,450.69 as at December 31, 2012; representing an increase of 13.8%.

The breakdown is as follows:

S/N	NAME OF FUND	FUND MANAGER	NAV AS AT DECEMBER 31 2012 (₦)	NAV AS AT DECEMBER 31 2013 (₦)	% CHANGE
1	Zenith Ethical Fund	Zenith Capital Limited	811,793,486.54	883,185,976.24	9
2	Lotus Halal Investment Fund	Lotus Capital Limited	1,907,760,746.96	2,109,748,799.06	9.9
3	Stanbic IBTC Ethical Fund	Stanbic IBTC Asset Mgt. Limited	3,306,410,167.19	3,702,174,474.12	12
4	ARM Ethical Fund	Asset & Resource Mgt. Limited	232,458,050.00	302,663,855.00	30
5	Stanbic IBTC Iman Fund	Stanbic IBTC Asset Mgt. Limited	Not registered at the time	129,387,875.47	N/A
Total			6,258,422,450.69	7,127,160,979.89	13.8

Balanced (Mixed) Funds

There were seven (7) Funds in this sector with NAV of ₦4,375,361,453.38 as at December 31, 2013 compared to eight (8) funds with NAV of ₦4,329,940,982.91 as at December 31, 2012, representing a marginal increase of 1%.

The breakdown is as follows:

S/N	NAME OF FUND	FUND MANAGER	NAV AS AT DECEMBER 31 2012 (₦)	NAV AS AT DECEMBER 31 2013 (₦)	% CHANGE
1	Women Investment Fund	Chapel Hill Denham Mgt. Limited	133,006,834.70	153,336,753.55	15
2	UBA Balanced Fund	UBA Asset Mgt. Ltd	1,430,713,742.59	1,152,784,815.36	19
3	Union Trustees Mixed Fund	CDL Asset Mgt. Ltd	1,735,459,455.52	1,772,786,928.00	2
4	Nigerian Global Investment Fund	Chapel Hill Denham Mgt. Limited	106,906,344.13	129,112,148.88	21
5	DVCF Oil & Gas Fund	DVCF Oil & Gas Plc	64,741,639.13	37,682,350.86	(41.80)
6	Indo-Nigeria Unit Trust Fund	Sterling Capital Markets Limited	35,683,937.37	48,119,046.43	33
7	Stanbic IBTC Balance Fund	Stanbic IBTC Asset Mgt. Ltd.	823,429,029.47	1,081,539,410.30	31
Total			4,329,940,982.91	4,375,361,453.38	1

Sector Fund

The sector had one Fund with NAV of ₦1,038,823,918.89 as at December 31, 2013 compared to ₦923,773,794.34 as at December 31, 2012; representing an increase of 12%.

S/N	NAME OF FUND	FUND MANAGER	NAV AS AT DECEMBER 31 2012 (₦)	NAV AS AT DECEMBER 31 2013 (₦)	% CHANGE
1	Nigeria Energy Sector Fund	Sterling Capital Markets Limited	927,773,794.34	1,038,823,918.89	12

Umbrella Fund

There was one Umbrella Fund with three (3) sub-funds namely: Conservative Fund; Aggressive Fund and Absolute Fund with a Net Asset Value of ₦2,512,408,090.59 as at December 31, 2013 compared to ₦2,222,494,965.85 at the end of December 2012, representing an increase of 13.6%.

The breakdown is as follows:

S/N	NAME OF FUND	FUND MANAGER	NAV AS AT DECEMBER 31 2012 (₦)	NAV AS AT DECEMBER 31 2013 (₦)	% CHANGE
1	Stanbic IBTC Umbrella Fund	Stanbic IBTC Asset Mgt. Limited.	2,222,494,965.85	2,512,408,090.59	13.6

New Gold Exchange Traded Fund

The Market Capitalization of the New Gold Exchange Traded Fund was ₦ 277.8 million as at December 31, 2013 compared to ₦ 1.013 billion as at December 31, 2012 representing a decrease of 72.57% as shown below:

S/N	NAME OF FUND	FUND MANAGER	MKT CAP AS AT DECEMBER 31 2012 (₦)	MKT CAP AS AT DECEMBER 31 2013 (₦)	% CHANGE
1	New Gold ETF	New Gold Managers (Proprietary) Ltd.	1,012,800,000.00	277,800,000.00	(72.57)

APPROVED APPLICATIONS FOR UNIT TRUST SCHEMES IN 2013

Five (5) applications for registration of Unit Trust Schemes were approved in 2013 as shown in the table below. :

S/N	NAME OF FUND	FUND MANAGER	INITIAL FLOTATION OF UNITS/ PRICE
1.	ARM Money Market Fund	Asset & Resource Management Limited	Offer for Subscription of 1,000,000,000 units of ₦ 1.00 each at par.
2.	UPDC Real Estate Investment Trust	FSDH Asset Management Limited	IPO of 3,000,000,000 units at ₦ 10.00k per unit.
3.	Stanbic IBTC Iman Fund	Stanbic IBTC Asset Management Limited	Offer for Subscription of 2,500,000 units of ₦ 1,000.00 per unit.
4.	Vetiva Griffin 30 Exchange Traded Fund	Vetiva Fund Managers Limited	Offer for Subscription of 100,000,000 units
5.	DV Balanced Fund	Vetiva Fund Managers Limited	IPO of 20,000,000 units at ₦100 per unit.

APPROVED REGISTRATION OF ADDITIONAL UNITS

Two applications for registration of additional units were approved during the year as shown below.

S/N	NAME OF FUND	FUND MANAGER	REGISTERED UNITS
1.	Stanbic IBTC Money Market Fund	Stanbic IBTC Asset Management Limited	100,000,000
2.	ACAP Canary Growth Fund	Alternative Capital Partners Limited	1,000,000,000

CLEARED DRAFT AUDITED ANNUAL ACCOUNTS & APPROVED AGM OF UNIT TRUST SCHEMES

The Commission cleared and approved the following in 2013

S/N	NAME OF FUND	FUND MANAGER	FINANCIAL YEAR END	DATE OF AGM	DIVIDEND DECLARED
1.	UBA Equity Fund	UBA Asset Management Limited	March 31, 2013	December 19, 2013	15k
2.	UBA Bond Fund	UBA Asset Management Limited	March 31, 2013	December 19, 2013	10k
3.	UBA Money Market Fund	UBA Asset Management Limited	March 31, 2013	December 19, 2013	10k

4.	UBA Balanced Fund	UBA Asset Management Limited	March 31, 2013	December 19, 2013	15k
5.	Nigeria International Growth Fund	Investment One financial services	June 30 , 2012	November 20, 2013	Nil
6.	Union Homes REIT	Union Homes Savings & Loans Plc	December 31, 2012	Nil	N2.37
7.	Kakawa Guaranteed Income Fund	Kakawa Asset Management Limited	December 31, 2012	November 20, 2013	N 1.40
8.	Skye Shelter Fund	SFS Capital Nigeria Limited	December 31, 2012	September 27, 2013	N5.00
9.	Lotus Halal Investment Fund	Lotus Capital Limited	December 31, 2012	October 24, 2013	Nil
10.	Chapel Hill Denham Millennium Fund	Chapel Hill Denham Management Limited	December 31, 2012	November 6, 2013	Nil
11.	Nigeria Global Investment Fund	Chapel Hill Denham Management Limited	December 31, 2011 & 2012	Nil	Nil
12.	Paramount Equity Fund	Chapel Hill Denham Management Limited	December 31, 2012	November 6, 2013	Nil

13. Women Investment Fund	Chapel Hill Denham Management Limited	June 30, 2012	November 6, 2013	Nil
14. Coral income Fund	FSDH Asset Management Limited	December 31, 2012	July 11, 2013	N18.68
15. Coral Growth Fund	FSDH Asset Management Limited	December 31, 2012	July 11, 2013	N21.14
16. ACAP Canary Growth Fund	Alternative Capital Partners Limited	March 31, 2012	September 25, 2013	N0.04
17. ARM Discovery Fund	Asset & Resource Management Co. Ltd	December 31, 2011	July 12, 2013	N8.50
18. ARM Aggressive Fund	Asset & Resource Management Co. Ltd	December 31, 2011	July 12, 2013	Nil
19. ARM Ethical Fund	Asset & Resource Management Co. Ltd	December 31, 2011 & 2012	Nil	Nil
20. Union Trustees Mixed Fund	CDL Asset Mgt. Limited	April 30, 2012	February 27, 2013	N0.04
21. FBN Heritage Fund	FBN Capital Asset Mgt. Limited	March 31, 2013	December 10, 2013	N10

22. SIM Capital Alliance Value Fund	SIM Capital Alliance Limited	June 30, 2013	December 17, 2013	N8.24
23. Anchor Fund	Cashcraft Asset Mgt. Limited	March 31, 2010,2011 & 2012	Nil	Nil
24. Bedrock Fund	Cashcraft Asset Mgt. Limited	March 31, 2010,2011 & 2012	Nil	Nil
25. Nigeria International Debt Fund	Afrinvest West Africa Limited	December 31, 2011 & 2012	Nil	Nil
26. Afrinvest Equity Fund	Afrinvest West Africa Limited	December 31, 2011 & 2012	Nil	Nil
27. Stanbic IBTC Bond Fund	Stanbic IBTC Asset Management Limited	December 31, 2012	Nil	Nil
28. Stanbic IBTC Money Market Fund	Stanbic IBTC Asset Management Limited	December 31, 2012	Nil	Nil
29. Stanbic IBTC Ethical Fund	Stanbic IBTC Asset Management Limited	December 31, 2012	Nil	N0.30
30. Stanbic IBTC Guaranteed	Stanbic IBTC Asset Management	December 31, 2012	Nil	N1.50

Income Fund	Limited				
31. Stanbic IBTC Balanced Fund	Stanbic IBTC Asset Management Limited	December 31, 2012	Nil		N15.00
32. Stanbic IBTC Equity Fund	Stanbic IBTC Asset Management Limited	December 31, 2012	Nil		N100
33. Zenith Income Fund	Zenith Capital Limited	December 31, 2012	Nil		Nil
34. Zenith Ethical Fund	Zenith Capital Limited	December 31, 2012	Nil		Nil
35. Zenith Equity Fund	Zenith Capital Limited	December 31, 2012	Nil		Nil
36. Legacy Equity Fund	First City Asset Management Limited	June 30, 2013	December 5, 2013		N0.08
37. Nigeria Energy Sector Fund	Sterling Capital Market Limited	March 31, 2012 & 2013	Nil		Nil
38. Frontier Fund	Sterling Capital Market Limited	June 30, 2012	Nil		Nil
39. Indo-Nigeria Unit Trust Fund	Sterling Capital Market Limited	December 31, 2011 & June 30, 2012	Nil		Nil

APPROVED SUPPLEMENTAL /RESTATED TRUST DEEDS

Seventeen (17) Supplementary Trust Deeds of registered Funds were reviewed and approved in 2013 as shown below:

S/NO	NAME OF FUND	SUPPLEMENTARY/RESTATED TRUST DEED APPROVED
1.	Coral Income Fund	Fourth Supplemental Trust Deed
2.	Coral Growth Fund	Fifth Supplemental Trust Deed
3.	Afrinvest Equity Fund	First Supplemental Trust Deed
4.	Nigeria International Debt Fund	First Supplemental to Amended and Restated Trust Deed
5.	Legacy Equity Fund	Third Supplemental Trust Deed
6.	Stanbic Balanced Fund	First Supplemental Trust Deed
7.	Stanbic Equity Fund	Amended and Restated Supplemental Trust Deed
8.	Stanbic Ethical Fund	Amended and Restated Supplemental Trust Deed
9.	Stanbic Bond Fund	Amended and Restated Supplemental Trust Deed
10.	Stanbic Money Market Fund	Amended and Restated Supplemental Trust Deed
11.	Stanbic Guaranteed Investment Fund	Amended and Restated Supplemental Trust Deed
12.	UBA Equity Fund	First Supplemental to Amended and Restated Trust Deed
13.	UBA Bond Fund	First Supplemental to Amended and Restated Trust Deed
14.	UBA Balanced Fund	First Supplemental to Amended and Restated Trust Deed
15.	UBA Money Market Fund	First Supplemental to Amended and Restated Trust Deed
16.	Lotus Halal Equity Fund	Third Supplemental Trust Deed
17.	Union Homes REIT	First Supplemental Trust Deed

UNIT TRUST SCHEMES IN THE PROCESS OF WINDING UP

S/NO	NAME OF FUND	OPEN / CLOSE ENDED	DATE OF COMMENCEMENT	FUND MANAGER
1	Gloria Unit Trust Scheme	Open Ended	January 1, 1989	Gloria Asset Mgt. Limited:
2	DEVCOM Mutual Fund	Open Ended	June 29, 1992	Devcom Merchant Bank Ltd:
3	Centre Point Unit Trust Scheme	Open Ended	1994	Centre Point Securities Ltd: (Assets moved to the Trustees, NIC Securities & Trust Limited
4.	Continental Unit Trust Scheme	Open Ended	February 11, 1991	Global Asset Management Limited
5.	MBA Mutual Trust Scheme	Open Ended	March 31, 1992	Crossworld Securities Limited
6.	Abacus Unit Trust Scheme	Open Ended	January 1, 1990	Crossworld Securities Limited

UNIT TRUST SCHEMES IN THE PROCESS OF MERGING

S/N	NAME OF FUND	FUND MANAGER
1	Nigerian Global Investment Fund	Chapel Hill Denham Management Limited
2	Chapel Hill Denham Millennium Fund	Chapel Hill Denham Management Limited

APPROVED APPLICATIONS FOR VENTURE CAPITAL/ PRIVATE EQUITY/INFRASTRUCTURE FUNDS IN 2013

Two (2) applications for registration of Infrastructure Funds were approved in 2013 as shown below:

S/NO	NAME OF FUND	FUND SIZE (\$)
1.	Nigeria Infrastructure Investment Fund 1 (NIIF 1)	100 Million
2.	ARM Infrastructure Investment Fund	250 Million

REPORT ON CUSTODIANS AS AT DECEMBER 2013

There are three (3) registered custodians holding the assets of forty nine (49) Mutual Funds. The total asset value of the forty nine assets is as follows:

S/N	NAME OF CUSTODIAN	NUMBER OF SCHEMES UNDER CUSTODY	TOTAL ASSET VALUE
1	UBA Global Investors	25	94,204,404,059.14
2	CITI Bank Nigeria Limited	12	38,465,157,780.28
3	Stanbic IBTC Nominees	12	19,529,848,916.45

In addition to the above table, review of the reports filed by the custodians during the period being reported shows that there have been full compliance by fund managers with respect to transfer of funds asset to custodians as directed by the Commission.

MERGERS, ACQUISITIONS AND TAKEOVERS

MERGER

- Application received 4
- Application approved 7

- Pending applications 5

ACQUISITION

- Application received 25
- Application approved 19
- Pending applications 12
-

TAKEOVERS

- Application received 1
- Applications approved 0

- Pending applications 2

RESTRUCTURING

- Application received 8
- Applications approved 8

- Pending applications 2

MERGERS

APPROVED MERGER TRANSACTIONS

1. Wapic Insurance Plc and Intercontinental Properties Limited.
2. Tiddo Securities Limited and Tiddo Investment Management Limited.
3. Flour Mills of Nigeria Plc, Nigeria Bag Manufacturing Company Plc, Northern Bag Manufacturing Limited and Bagco Morpack Nigeria Ltd.
4. Cadbury Nigeria Plc and Stanmark Cocoa Processing Company.
5. Flour Mills of Nigeria and Niger Mills Company Limited.
6. Consolidated Breweries, Dil/Maltex and Benue Brewery Ltd
7. Custodian & Allied Insurance and Crusader (Nig) Plc

PENDING APPLICATIONS

1. Suntrust Savings & Loans Limited and Dala Building Society Plc
2. Afriland Properties Plc and Heirs Real Estate Limited
3. Universal Insurance Plc and African Alliance Insurance Plc.
4. Planet Capital Limited, Emerging Capital Limited and Strategy & Arbitrage Limited
5. Baker Hughes Company Limited and BJ Services Company Limited (two Nigerian subsidiaries of Baker Hughes Incorporated)

ACQUISITIONS

APPROVED ACQUISITIONS

1. Acquisition of 2,143,281,975 Ordinary Shares of N1 each (95% Equity) in Savannah Sugar Company Ltd. by Dangote Sugar Refinery
2. Acquisition of 91,000,000 Ordinary Shares (52% Equity) in Treasure Capital & Trust Limited by Gem Global Markets Limited
3. Acquisition of 100% equity in City Securities (Registrars) Limited by Cardinalstone Partners Limited
4. Acquisition of 65,551,785 Ordinary Shares in Ikoyi Hotels Limited By Southern Sun Africa.
5. Acquisition of 349,650,132 Ordinary Shares (100% Equity) in Thai Farms International Limited by Flour Mills of Nigeria Plc
6. Acquisition of 95,000,000 Ordinary Shares (95% Equity) in Oceanic Health Management Company (held by Cressida Nigeria Ltd for Ecobank Transnational Ltd.) by Alpha Partners Limited
7. Acquisition of 204,000,000 Ordinary Shares (51% Equity) in Portland Paints & Products Nigeria Plc. by UAC Nigeria Plc.
8. Acquisition of 46,873,176 Ordinary Shares in Pivot Trust & Investment Company Limited by Crystal Global Assets Limited
9. Acquisition of 60,000,000 Ordinary Shares (60% Equity) in Femi Johnson & Co. Limited by MMC Group.
10. Acquisition of 250,000,000 Ordinary Shares (99.9% Equity) in Kakawa Assets Management Ltd by Investment One Financial Services Ltd
11. Acquisition of 50,000,000 Ordinary Shares (100% Equity) in UAC Registrars Limited by Africa Prudential Registrars Plc.
12. Acquisition of 1,236,000,000 Ordinary Shares (60% Equity) in Finbank Homes Limited by a group of Minority Shareholders.
13. Acquisition of 500,000,000 Ordinary Shares in First Registrars Limited by SRM Partners.
14. Acquisition of Zenith Bank Plc's interest (100% Equity) in Zenith Registrars Ltd by Paradox Limited, Discount Windows Ltd and Others
15. Acquisition of 513,000,000 Ordinary Shares (57% Equity) in Champion Breweries Plc by Raysun Nigeria Limited

16. Acquisition of 7,120,000 Ordinary Shares (71.2% Equity) in Oasis Insurance Plc (from Oasis Group Limited and Metrowest Investment Limited) by FBN Life Assurance Ltd.
17. Acquisition of 2,500,000,000 Ordinary Shares (99.2% Equity) in Oceanic Homes Savings & Loans Ltd. (from Ecobank Plc) by Suntrust Savings & Loans Ltd.
18. Acquisition of 2,141,459,764 Ordinary Shares of Enterprise Bank Limited in Spring Mortgage Plc by United Mortgage Limited
19. Acquisition of 550,000,000 Ordinary Shares (100% Equity) in FUG Pension by Unity Kapital Plc

PENDING ACQUISITIONS

1. Acquisition of 83.73% Shareholding in Fleet Technologies by Afriprice Investment
2. Acquisition of 100% shareholding in Alicorn Capital Limited by AllCO Insurance Plc
3. Acquisition of 96.11% Equity Shareholding in FIN Insurance by Capital Alliance Private Equity III Limited
4. Acquisition of 100% Equity shareholding in FINBANK Insurance Brokers Limited by Oriental Capital Asset Management Limited
5. Acquisition of FinBank Securities and Asset Management Limited by Quad Capital Ltd for a cash consideration of N70,000,000.00.
6. Acquisition of 2,500,000,000 ordinary shares of N1 each in FinBank Capital by Quad Capital Ltd for the cash consideration of N500,557,754.00
7. Acquisition of Wema Assets Management by Butterpot Capital Limited.
8. Acquisition of ACEN Insurance Company Plc by Sovereign Trust Insurance Plc
9. Acquisition of Philips Oil Company Nigeria Ltd, Conoco Exploration & Production Nigeria Ltd and Philips Deepwater Exploration Nigeria Ltd by Oando Energy ResourceS

10. Acquisition of Independent Securities Ltd by Butterpot Capital Limited.
11. Acquisition of 100% equity shares in Diamond Capital & Financial Market Limited and Diamond Securities Limited by Kaizen Partners Nigeria Limited.

TAKEOVERS

PENDING TRANSACTIONS

1. Takeover Bid by Asset & Resource Management Company Limited of up to 115,713,456 Ordinary Shares of 50 kobo each (41.48% Equity) in Crystallife Assurance Plc.
2. Takeover of up to 332,500,000 Ordinary Shares of 50k each (6.6% Equity) in Dangote Flour Mill by Tiger Brand Ltd.

RESTRUCTURING

APPROVED RESTRUCTURING

1. Internal Restructuring of Honeywell Flour Mills Plc and Honeywell Superfine Foods Limited
2. Business Combination between Emerging Markets Telecommunication Services and Alheri Services Limited
3. Internal Restructuring of Food Concept Plc and Free Range Farms Ltd.
4. Restructuring of Ringadas Nigeria Limited, ASCA Bitumen Company Limited, Moraga Mortain Nigeria Limited and GNB Logistics Nigeria Limited.
5. Reorganisation of Share Capital between Forte Oil Plc and Holders of its fully paid Ordinary Shares of 50 Kobo Each
6. Scheme of Arrangement between IHS Nigeria Plc and the holders of its fully paid ordinary shares of 50K each

PENDING APPLICATIONS

1. Scheme of arrangement between Marina Securities Limited and Marina Securities Stockbroking Services Ltd.
2. Restructuring of Japaul Oil Maritime Services Plc

REGISTRATION OF CAPITAL MARKET OPERATORS

Four registration meetings were held in 2013 in which ninety one (91) applications were received and thirty six (36) approved.

APPROVED CAPITAL MARKET OPERATORS IN 2013

SN	NAME OF COMPANY/FIRM	FUNCTION REGISTERED 2013
1.	Profin Nigeria Ltd	Corporate Investment Adviser
2..	Excellex Solicitors	Solicitors
3.	Olabisi Fayombo & Co	Reporting Accountant
4	Pathian Partners Ltd	Inter-Dealer Broker
5.	Rand Merchant Bank Nigeria Ltd	Issuing House, Underwriter and Investment Adviser
6.	Kord Capital Ltd	Corporate Investment Adviser
7	Partnership Securities Ltd	Broker/Dealer
8.	Afrinvest Asset Management Ltd	Fund/Portfolio Manager

9.	W.O Capital Ltd	Corporate Investment Adviser
10.	Fiducia Capital Investment Advisers Ltd	Fund/Portfolio Manager
11.	Stanbic-IBTC Capital Ltd	Issuing House and Underwriter
12.	Cordros Asset Management Ltd	Fund/Portfolio Manager
13.	Crystal Trust Asset Management Ltd	Fund/Portfolio Manager
14.	Bahama Chambers	Solicitors
15.	Jide Taiwo & Co	Estate Surveyor
16.	Edgefield Capital Management Ltd	Investment Advisory & Broker Dealer
17.	Ocean Securities & Stockbrokers Ltd	Broker/Dealer
18.	Zenith Asset Management Ltd	Fund/Portfolio Manager
19.	Obhielo Investment & Consultancy Ltd	Investment Advisory
20.	Iworld Financial Services Ltd	Issuing House
21.	H. Michael & Co	Solicitors
22.	MBO Capital Management Ltd	Fund Manager-Private Equity
23.	AIQ Venture Capital Fund Managers Ltd	Fund Manager-Private Equity
24.	Oziko Capital and Securities Ltd	Corporate Investment Adviser
25.	Eczellon Capital Ltd	Issuing House
26.	Ahmed Bawa & Co	Reporting Accountant
27.	Lotus Financial Services Ltd	Issuing House
28.	DFC Capital Ltd	Corporate Investment Adviser
29.	AEGIS Financial Services Link Ltd	Corporate Investment Adviser

30	Akintunde Williams & Co	Solicitor
31	Mc-Finenco Investment Ltd	Broker/Dealer
32	Jaiz Bank Plc	Receiving Banker
33	ARM Capital Partners	Funder Manager-Private Equity
34	ROUQ & Company	Solicitors
35	Merit Securities Ltd	Broker/Dealer
36	Boston Advisory Ltd	Issuing House

FINANCIAL STANDARDS AND CORPORATE GOVERNANCE

Corporate Governance Scorecard

The Commission is partnering with the International Finance Corporation (IFC) to develop a “Scorecard” to improve Corporate Governance practices. The Scorecard is a tool for assessing the level of conformity with the Corporate Governance Code by Companies. This would help investors make informed investment decisions and improve market integrity.

Quarterly Unaudited Financial Statements

Three Hundred and Thirty (330) quarterly unaudited reports were received in 2013 and reviewed.

Half Yearly Returns

The Commission received and reviewed one hundred and fifty two (152) half yearly returns on Corporate Governance from Public quoted companies in 2013.

Annual Reports and Accounts

One Hundred and Eighty (180) 2012 Annual Reports and Accounts were received for review.

International Financial Reporting Standards (IFRS)

All public quoted companies with December, 2012 accounting year end, have complied with the International Financial Reporting Standards (IFRS).

Staff of the Commission have completed the IFRS certification training with the Institute of Chartered Accountants in England and Wales (ICAEW).

Capacity Building for Shareholder Associations

As part of its effort to strengthen and enhance the role of the shareholders in the Capital Market t, the Commission organized workshops for the Executives of registered Shareholder's Associations.

Investigation of Ecobank Transnational Incorporated Plc

The Commission investigated allegations of corporate governance breaches in Ecobank Transnational Incorporated (ETI) Plc Initial findings revealed some corporate governance lapses. In the discharge of its statutory mandate to protect the shareholders, the Commission engaged KPMG Advisory Services to undertake an in-depth management and corporate governance audit of the company.

MARKET DEVELOPMENT PROGRAMMES

The Commission embarked on Enlightenment Campaigns targeted at deepening the market and fostering investor education. The highlights of the activities in 2013 are as follows:

1. The Commission on various occasions hosted students from twenty nine (29) institutions on excursions aimed at inculcating savings and investment culture in order to expose them to opportunities in the capital market.
2. Lectures were organized orientation on the theme “Opportunities in the Nigerian Capital Market”.
3. The Commission embarked on two market enlightenment campaigns tagged “**Health and Wealth**” to educate market women in Abuja on financial inclusion and health enhancement initiatives. This was intended to attract market women and other potential investors to the capital market through collective investments and other related schemes.
4. The Commission organized the **4th National Quiz Competition**, and prizes were awarded to the top three (3) schools . The following schools emerged as winners:
 - i. College of Education Demonstration School, Ikere, Ekiti,
 - ii. Marist Comp. College, Njete, Anambra, and
 - iii. Divine Academy, Itakpe-Okene, Kogi.
5. The 1st and 2nd quarter editions of the SEC Quarterly Publication were completed and published. The Publications were widely distributed among the investing public during the year.

Also published were:

- Frequently Asked Questions About the Capital Market
- Fundamentals of Collective Investment Schemes
- Translation of materials (SEC Publications) into Hausa Language (KNZO),

Other activities embarked upon during the year include:

- Interactive meeting with the Shareholders Association, Ibadan Zone
- Establishment of Capital Market Clubs in 41 Schools within the Ibadan Zone
- Presentations on the underlisted topics at various fora
 - i. Securities Lending and Borrowing
 - ii. Questions & Answers on Securities Lending and Borrowing
 - iii. Hedge Funds
 - iv. Questions & Answers on Hedge Funds
 - v. Mortgage -Backed Securities
 - vi. Stock Options
 - vii. Return of Merchant Banking in Nigeria and its expected impact on the capital market operations
 - viii. Contemporary Political Issues in Nigeria
 - ix. How to invest in the Capital Market

CAPACITY BUILDING

The Commission participated in programmes organized by the Securities Industry Development Corporation (SIDC), the African Development Bank (ADB) and the Metropolitan Skills Limited on Sukuk and other Shar'iah compliant products. Other trainings embarked upon by the Staff of the Commission include the International Financial Reporting Standards (IFRS) training conducted by the World Bank as well as other local and international trainings

SECTION 3

LEGAL AND ENFORCEMENT

- Legal Opinions
- Litigation
- Rule Making
- Monitoring
- Investigations
- Enforcement

Legal Opinions

One Hundred and Twenty Four (124) legal opinions were given in 2013. The notable ones are listed below:

1. Citibank Nigeria: application for registration as Securities Lending Agent/Intermediary
2. Request for payment of annual issuing house fees (from issuing houses) by the Nigerian Stock Exchange (NSE) in line with Article 61 of the NSE's Rules & Regulations 3. Request to remove damaging and libelous information against Brooke Chambers posted in the capital market operators' blacklist on the Commission's website
4. Review of the contract between the Commission and SW Global Limited for the design, development and implementation of the electronic registration, return & analysis (erra) application
5. Request for letter of no objection to register Association of National Cashiers and Fund Managers of Nigeria
6. Commendation of Minister of Finance's pronouncement on elimination of VAT, stamp duties, etc from transactions conducted on the floor of The Nigerian Stock Exchange 7. Letter of clarification from Sterling Capital Markets Limited with respect to a directive by The Nigerian Stock Exchange on the payment of Issuing House fees owed by the firm.
8. Proposed global offering and dual listing of Seplat Exploration and Production Company Limited (the company) on the Nigerian Stock Exchange and the London Stock Exchange
9. Exemption of the Asset Management Corporation of Nigeria (AMCON) from the provisions of S.60 (c) of the ISA.
10. Request for waiver from the provisions of Rule 50 (2) by Greenwich Trust Limited on behalf of Resort Savings and Loans Plc
11. Intervention on the refund of funds due to UACN Property Development Company with respect to the UPDC REITS
12. Opinion on the rating of AllCO Capital Limited money market fund pursuant to SEC Rule 481.
14. Legal opinion on the imposition of redemption fees by the Fund Managers of Allan Gray Equity Fund in line with SEC Rule 451
15. Request from Thomson Reuters to upload the Commission's Rules and Sundry information on its website.

Litigation

The Commission was involved in 132 cases in various courts/Tribunals shown below:

1. Pending cases – 105,
2. New cases - 20,
3. Appeals - 7 (6 of which were appeals to the Court of Appeal)

New Cases

1. Appeal in IST/OA/24/10 – SEC V. FIN Bank Plc & 8 Ors.
2. CA/A/232/12 - FIN Bank Plc V. SEC & Dr. Timothy N. Menakaya
3. FHC/ABJ/CS/514/13 SEC V. Union Bank Plc & Access Investment Ltd
4. IST/EN/OA/03/13 - Boniface Onwubualili V. City Sec. Ltd & Anor.
5. IST/LA/OA/06/13 - Mr. Jaja Adagogo Jonathan V. BGL Sec. Ltd & SEC
6. LD/59/13 - Mr. Adim Jibunoh V. SEC & DG of SEC
7. IST/EN/OA/01/13- Dr. Okam Kalu Uwgu V. SEC & Ors.
8. FHC/BCS/62/2013- Momodu Victor Momoh V. Aims Asset Management
9. FHC/ABJ/CS/7/2013- Mrs. Stella Babudoh Erhurho V. BGL & 2 Ors.
10. FHC/L/CS/293/13 - Montgomery Ventures Incorp. & Anor. V. Compion Breweries Plc & 5 Ors.
11. IST/EN/OA/02/13 - Chukwukadibia Noel Agwuocha V. Transnational Corporation of Nigeria Plc & Ors.
12. CA/L/13/09 (Supreme Court) - SEC V. Christopher Okeke

Concluded Cases

Twenty five (25) cases were concluded within the same period as listed hereunder:

- i. CA/L/241/M/12 – Mtech Communications Plc & 4 Ors V. SEC & 5 Ors.
- ii. FHC/ABJ/CS/176/09 - Ben Cyril Okere V. SEC
- iii. IST/OA/03/2011 - Grace Onyemowo Alfa V. BGL, SEC & 2 Ors.
- iv. FHC/ABJ/CS/670/08 - Barr. Abdulwahab Moh'd & 3 Ors. V. Bank PHB & 3 Ors.
- v. FHC/L/CS/228/10 – Seven Up Bottling Co. Plc V. SEC

- vi. Appeal against the ruling of the IST in IST/OA/20/10- SEC V. Union Bank Plc & 20 Ors.
- vii. IST/EN/OA/02/12 - Hon. (Prince) Sonny Edet Osom V. SEC, MRS Oil & 1 Ors.
- viii. FHC/L/CS/01332/11 - Ebako & Company Ltd & 2 Ors. V. Longman Nig. Plc & 5 Ors.
- ix. IST/APP/03/11 – SEC V. Estate of Chief Idowu
- x. IST/LA/APP/01/12 – De-canon Invest. Ltd V. SEC
- xi. FHC/IKJ/CS/207/11 - Franna & Co. Ltd V. SEC, Negriss Holdings Ltd, Meristem Sec. Ltd, Energy Co. Nig. Ltd & Meristem Registrars Ltd
- xii. IST/EN/OA/03/12 – Eze A. Eze V. Fidelity Sec. Ltd & 3 Ors
- xiii. FHC/L/CS/295/13 - Mr. Noah Ochedi & 7 Ors. V. CBN & 9 Ors

- xiv. IST/KN/OA/01/13 - Saddiq Abubakar & 2 Ors. V. Circular Trust Ltd
- xv. FHC/L/CS/1462/12 – Petition for Winding Up of Nospetco Oil & Gas Plc
- xvi. FHC/ABJ/CS/49/09 – Staffords Nig. Ltd V. Investments & Securities Tribunal & 5 Ors.

- xvii. NIC/ABJ/93/11 – Abilo Uboboso V. SEC
- xviii. NIC/ABJ/94/11 – Umar Suleiman V. SEC
- xix. NIC/ABJ/95/11 – Sunday Imorua V. SEC
- xx. NIC/ABJ/96/11 - Giwa Dejo V. SEC
- xxi. NIC/ABJ/97/11 – Sunday Asuquo V. SEC
- xxii. NIC/ABJ/98/11 – Demakaa Samuel V. SEC
- xxiii. NIC/ABJ/99/11 – Grace Anoka V. SEC
- xxiv. NIC/ABJ/100/11 – Omare I. Ogunde V. SEC

RULE MAKING

The following rule making activities were undertaken in 2013:

(A) FINALIZED NEW RULES

1. Rules on Sukuk Issuance in Nigeria.
2. Rules on Private Equity Funds
3. Rule on the use of Nominee Accounts

(B) AMENDMENTS TO THE NSE RULES AND NEW RULES ON NASD AND FMDQ

1. NSE Rules on the Investor Protection Fund
2. Amendments to NSE Rules on Pricing Methodology (Article 100)
3. Rules on NASD OTC
4. NASD Schedule of Fees
5. Financial Market Dealers Quotations (FMDQ) Rules
6. CBN/SEC Guidelines on Securities Settlement in Nigeria
7. Amendments to the NSE Rules and Regulations governing Dealing Members (Trading)
8. NSE Rules governing the use of the Issuer's portal
9. Guidelines for registration as a Dealing Member of the NSE.

(C) AMENDMENTS TO EXISTING SEC RULES

The following rules were amended and approved by the Commission:

1. Real Estate Investment Schemes (**Rule 250** was re-numbered as 250(1) while new **Rule 250(2) and (3)** were created).
2. Filling of Registration Statement (**Rule 50(1) (a)**, and a new Rule **50(1)(b)** was created).
4. Mandate to purchase shares -**Rule 94**.

5. Rating Agency - **Rule 143(2)**
6. **Rule on registration of securities of Public Companies – Schedule 1, Part C**
7. Heading amended - **Schedule IV**
8. Regulation of Public Companies -(Part B)
9. Profit Forecast – **Rule 206 (4)(b)**
10. Rule on Securities Lending and Borrowing.
11. The new minimum capital requirements for Capital Market Operators - Schedule I, Part B
12. Rule on Shelf Registration -**Rule 279 (5)**
13. Amendments to the Anti-Money Laundering/Combating Financing of Terrorism (AML/CFT) Regulations for Capital Market Operators 2013

(D) **EXPUNGED RULE**

Issue Proceeds - **Rule 64(3) (b)**

(E) **EXPOSED RULES**

1. Infrastructure Funds.
2. Foreign Collective Investment Schemes.
3. Registration Requirements for Capital Market Trade Groups.
4. Registration of Capital market Operators.
5. Amendment to Rule on Fidelity Bond.
6. Transfer of function(s) from a parent company to its subsidiary.
7. Sponsored Individuals to attend capital market training before and after registration. .
8. Amendment to Rule relating to Registration Requirements of Capital Market Experts or Professionals.
9. Time limit for filing documents and transfer of sponsored individuals.
10. New Rule on Filing of notice by Directors and other insiders upon sale or purchase of their shares in the Company.

11. Amendment to Rule on Securities Lending and Borrowing.
12. Tenure of Audit Committee Members.
13. Amendment to the SEC
Administrative Proceedings Committee (APC) procedure.
14. Earning Forecast pursuant to Section 64 of the ISA.
15. Take-over bids pursuant to Section 131 of the ISA.
16. Amendment to the Code of Corporate Governance for Public
Companies.
17. Amendment to Rule on Shelf Registration.
18. Amendment to Rule on Basis of Allotment.
19. Amendment to Rules on Acquisition.
20. Amendment to Rule on functions of Broker/Dealers.
21. Amendment to Registration/Transfer fees for Sponsored Individuals.

MONITORING

The Commission assesses the financial health of registered Capital Market Operators (CMOs) through supervision and review on a quarterly and annual basis.

Post public offerings are also monitored to verify utilization of issue proceeds. In the same vein, Anti-Money Laundering & Countering Financing of Terrorism (AML/CFT) measures were deployed to ensure compliance with Nigeria's AML/CFT regime. Monitoring activities were carried out using both off-site and on-site supervisory tools.

Off-Site Analysis

The Off-Site inspection focused mainly on reviewing returns, identifying deficiencies and compiling key data on operations of CMOs. One Thousand Nine Hundred and Sixty Four (**1,964**) returns were received and reviewed as stated below:

S/N	Category	Number of returns reviewed
1.	Audited Annual Returns from all CMOs	313
2.	Broker-Dealers	688
3.	Fund/Portfolio Managers	246
4.	Issuing Houses*	356
5.	Underwriters	52
6.	Trustees	78

7.	Registrars	61
8.	Rating Agencies	12
9.	Investment Adviser	152
	Total	1964

*Returns from Issuing Houses were inclusive of 132 returns on utilization of issue proceeds.

Summary of CMOs Audited Annual Accounts

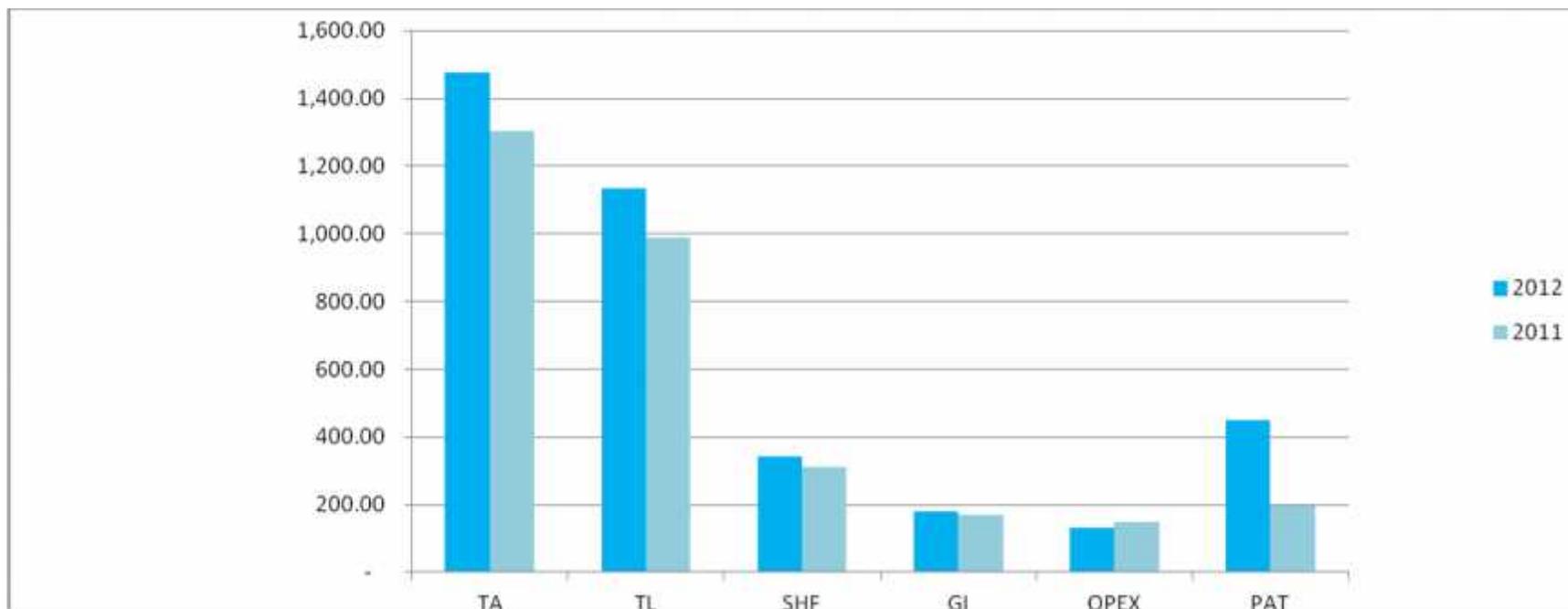
Three hundred and thirteen (313) Audited Annual Accounts were received and reviewed in 2013. Total assets value stood at N1.475 trillion showing an increase of **13.20%** compared to N1.303 trillion recorded in 2011.

Aggregate liabilities also increased by **14.68%** from N0.988 trillion in 2011 to N1.133 trillion in 2012. Shareholders' Funds increased by **9.29%** from N 0.312 trillion in 2011 to N 0.341 trillion in 2012 while the Net Income also increased by **5.29%** from N 0.170 trillion in 2011 to N 0.179 trillion in 2012, as shown below:

	2012	2011	% Change
No. of Audited Accounts Received	313	291	7.56%
	N trillion	N trillion	13.20%

Total Asset	1.475	1.303	
Total Liability	1.133	0.988	(14.68%)
Shareholders Fund	0.341	0.312	9.29%
Net Income	0.179	0.170	5.29%
Operating Expenses	0.133	0.150	11.33%
Profit After Tax	0.450	0.196	129.59%
Overall Net-Worth to Total Asset	23%	24%	(4.17%)
Aggregate Total Liabilities to Total Asset	77%	76%	1.32%
Aggregate Net-worth to Total Liabilities	30%	32%	(6.25%)

Graphical Representation of the Audited Accounts



TA=Total Assets, TL=Total Liabilities, SHF=Shareholders' Funds, GI=Gross Income, OPEX=Operating Expenses and Other Charges and PAT=Profit After Tax and Interest.

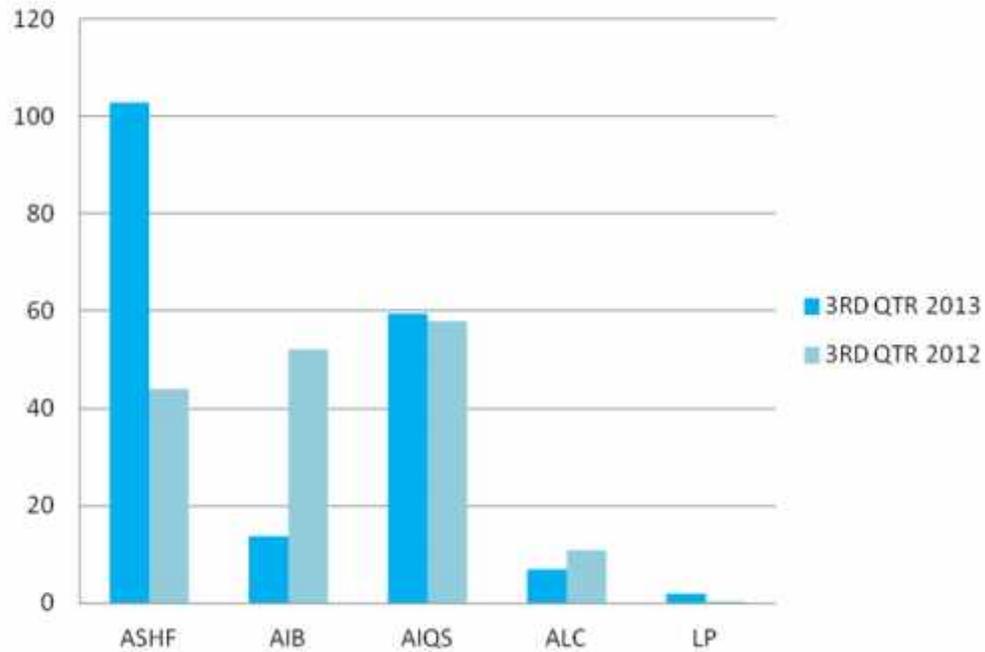
Broker/Dealers

Six hundred and eighty eight (688) returns were received and reviewed in the first to third quarter of 2013. The performances

S/N	INDICES	1ST QTR 2013	2ND QTR 2013	3RD QTR 2013
		N' bn	N' bn	N' bn
1	Aggregate Shareholders' Funds	84.67	102.69	102.90
2	Aggregate Indebtedness to Banks	27.37	16.43	13.83
3	Aggregate Investment in Quoted Securities	52.08	61.65	59.55
4	Aggregate Loans to Clients	27.21	7.06	6.90
5	Level of Profitability (Net)	1.68	4.12	2.02

Year on Year Comparison (2012-2013)

Broker/Dealer Performance (₹'Bn)



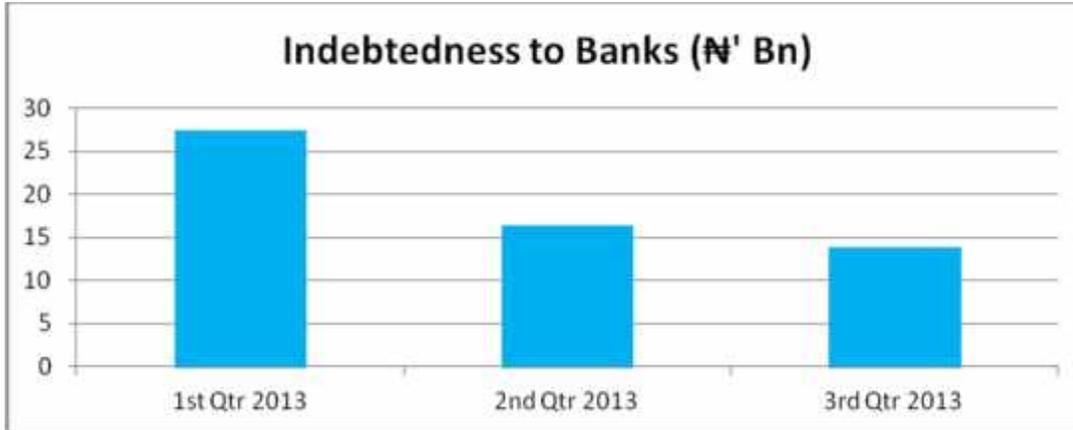
ASHF= Aggregate Shareholders' Funds, **AIB**= Aggregate Indebtedness to Banks, **AIQS** = Aggregate Investment in Quoted Securities, **ALC** = Aggregate Loans to Clients, and **LP** = Level of Profitability (Net)



The value of Shareholders' Funds increased from ₦84.67b in the first quarter to ₦102.69b in the second quarter, representing a 21% increase. In the third quarter, the value increased marginally to ₦102.90b. However, when compared with the 2012 performance, the figure represents an increase of 134.13%.

Indebtedness to Banks

The level of Indebtedness to Banks/AMCON decreased from **₦52.19b** in the third quarter of 2012 to **₦13.83b** in the third quarter of 2013 representing a **73.50%** decline. Out of the outstanding indebtedness, **18** (eighteen) firms accounted for **80%** as at September 30, 2013.



Fund/Portfolio Managers:

Two hundred and forty six (246) quarterly returns were filed in 2013 from 86 registered Fund/Portfolio Managers. Details of their activities are summarized below:

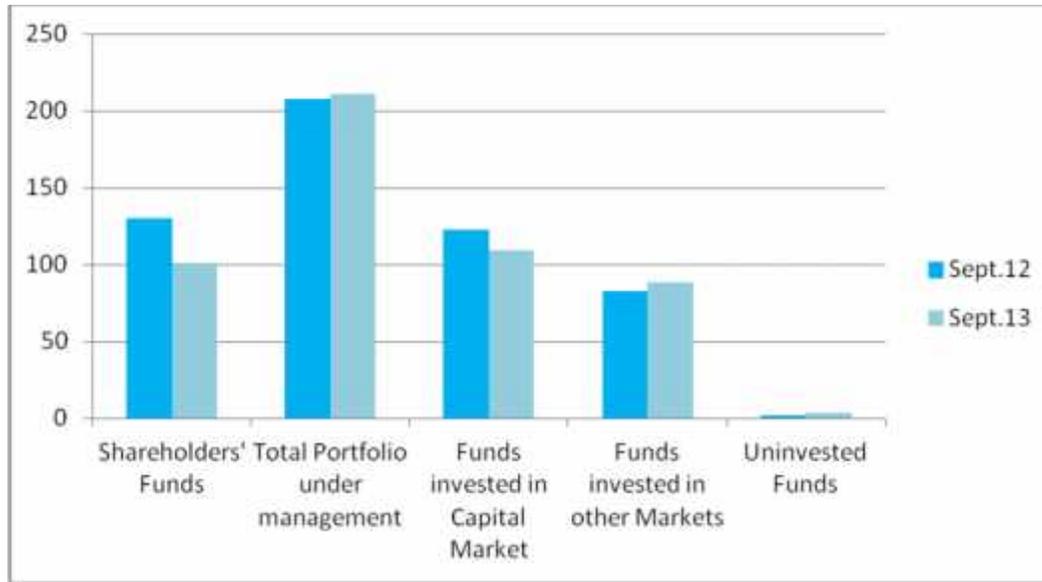
QUARTER	1 ST ,2013 (N'Bn)	2 ND ,2013 (N'Bn)	3 RD ,2013 (N'Bn)
Total shareholders' funds	97.5	124.1	100.7
Total fund under management	146.4	189.8	211.3
Investment in the capital market	45.1	50.4	109.6
Investment in other asset classes	100.8	138.6	98.5
Uninvested funds	0.52	.081	3.1
% of Investment in the capital market to Total fund under management	30.8%	26.6%	51.9%
% of Investment in other asset classes to Total fund under management	68.9%	73%	46.6%
% of Uninvested funds to Total fund under management	0.4%	0.4%	1.5%

The aggregate shareholders funds of registered Fund/Portfolio Managers declined by 23%.

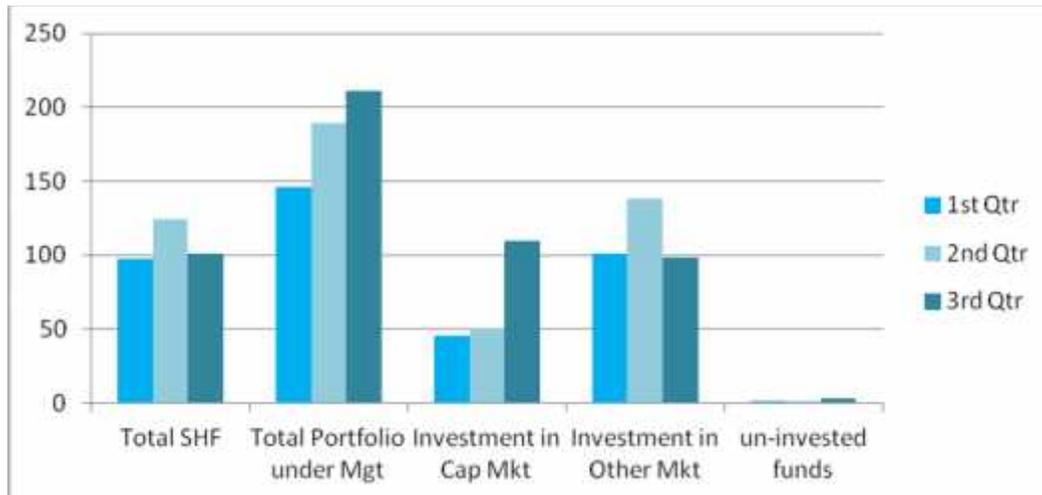
Total Portfolio under management increased from N207.8 billion in the 3rd quarter 2012 to N211.3 billion in the 3rd quarter 2013, indicating an increase of 1.7% .

51.9% of these funds were invested in the Capital Market, 46.6% was invested in other markets while 1.5% represented uninvested funds.

Year-to-Year Analysis of the Performance of Funds/Portfolio Managers



ANALYSIS OF THE QUARTERLY PERFORMANCE OF FUNDS/PORFOLIO MANAGERS



Registrars

Eighty four (84) returns were received from Registrars.

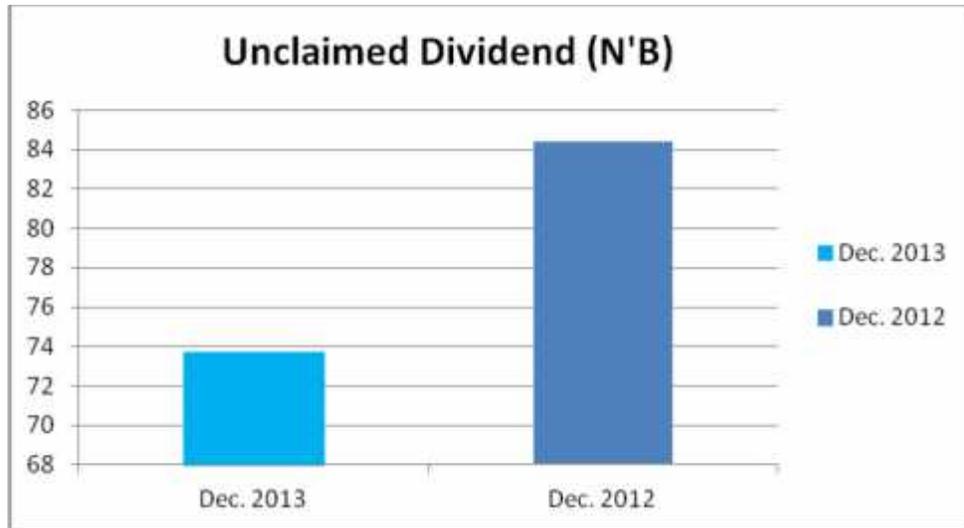
Analysis of the returns revealed that the quantum of unclaimed dividends has decreased by 12.7% from ₦84.40bn as at December 31, 2012 to ₦73.71bn as at December 31, 2013 respectively. Surplus /return monies stood at ₦1.57bn showing an increase of 22.7% as against ₦1.28bn in 2012, unclaimed certificates from Registrars also increased to 781,571 certificates as against 650,173 certificates in 2012, representing 20%.

The performance of Registrars is shown in the following table and charts:

		2013	2012	% Change
Unclaimed Dividend*	₦'B	73.71	84.40	12.7%
Surplus/Returned Monies	₦'B	1.57	1.28	22.7%
Unclaimed Share Certificates		781,571	650,173	20.2%

**Unclaimed Dividend Figures are based strictly on dividend declared which remain unclaimed after 6months of dispatching the dividend warrants by the Registrar.*

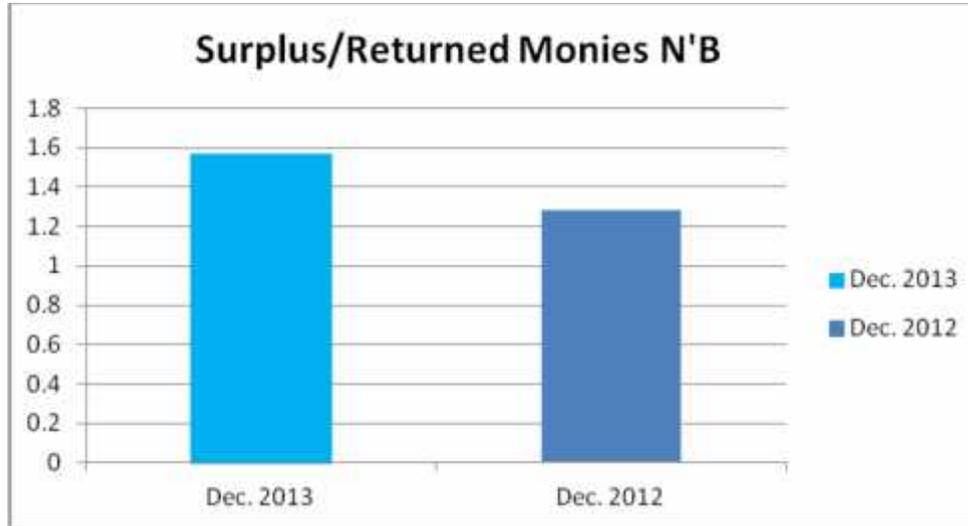
Unclaimed Dividend



The Commission in collaboration with The Nigerian Stock Exchange (NSE) and the Central Securities Clearing Systems (CSCS) Plc is working with four (4) firms of chartered Accountants to carry out a verification exercise on unclaimed dividends.

The verification of unclaimed dividend is expected to be carried out alongside the reconciliation of materialized and dematerialized share certificates.

Surplus/Return Monies



Unclaimed Share Certificates



Issuing Houses

Two hundred and twenty four (224) returns were received from seventy two (72) Issuing Houses as at the end of the third quarter 2013. Analysis showed that only eighteen (18) participated in Offers in 2013.

Underwriters

Fifty two (52) returns were received from Underwriters as at September, 2013.. Review of the returns revealed that only six (6) firms participated in underwriting Offers in 2013.

Investment Adviser

One hundred and fifty eight (158) Investment Advisers' returns were received and analyzed in 2013.

On-site Inspections

The breakdown of the on-site inspections conducted in 2013 is shown below:

Target Inspections

Target Inspections were carried out on three (3)) that were found to have committed various market infractions.

Utilization of issue proceeds

Verification inspection on utilization of issue proceeds were carried out in respect of:

S/N	Issuer	Offer Type	Year Issued
1	First Bank of Nigeria Plc	Hybrid offer of ₦250 Billion	2007
2	Unity Bank Plc	Rights Issue of 23,928,142,026 ordinary shares of 50k each at ₦1 per share	2010
3	Wema Bank Plc	Special Placement of 3,096,186,286 ordinary shares of 50k each at ₦3 per share	2010
4	Food Concept Plc	Special Placement of 780,000,000 ordinary shares of 50k each at ₦2.5 per share	2011
5	Gombe State Government	₦20 billion 15.5% Fixed Rate Bond	2012

AML/CFT Activities

The Commission extended its Risk-Based onsite supervision to Funds and Portfolio Managers in 2013. To this end, sixty five (65) Funds and Portfolio Managers with significant funds/assets under management were inspected to identify firms that have possible high AML/CFT risk exposures. This was to ascertain whether adequate control measures commensurate to their risk exposure had been put in place.

Analysis of findings revealed that 24 firms had very good risk management system, 28 had acceptable system while 13 had deficient system in place.

1. Onsite visit of the representatives of the Financial Action Task Force (FATF) Regional Review Group on Nigeria's AML/CFT regime which led to Nigeria's removal from the list of high-risk Jurisdictions by the FATF in 2013.
2. Inauguration of Chief Compliance Officers' of Capital Market in Nigeria (CCOCIN) on August 6, 2013 to strengthen compliance by CMOs.
3. Commencement of AML/CFT Sectoral Risk assessment to identify inherent risk in the Capital market activities necessary for the conduct of Nigeria's National Risk Assessment.

INVESTIGATIONS

During the year under review, a total of **3,269** complaints were handled; **1,879** were new complaints and **1,390** were complaints brought forward from year 2012. A total of **1,147** complaints were resolved, while **30** complaints were transferred to the Enforcement & Compliance Department, leaving **2,092** complaints outstanding as at December 31, 2013.

SUMMARY OF COMPLAINTS HANDLED:

Items	Head Office	Lagos Zonal Office	Onitsha Zonal Office	Port Harcourt Zonal Office	Ibadan Zonal Office	Kaduna Zonal Office	Kano Zonal Office/ Maiduguri Zonal Office	Total
Brought forward	519	334	11	78	27	58	363	1,390
New Complaints	604	220	200	213	38	170	434	1,879

Resolved cases/ Complaints	415	65	130	112	32	114	279	1,147
Cases transferred for enforcement action	30	-	-	-	-	-	-	30
Pending as at Dec 31, 2013	678	489	81	179	33	114	518	2,092

ENFORCEMENT

Thirty four (34) new cases were referred for enforcement action in 2013. These cases include the underlisted infractions:

- Unauthorized sale of clients shares
- Mismanagement of clients portfolio accounts
- Non execution of Mandates
- Non-allotment of shares
- Non-remittance of proceeds of sale Non- rendition of periodic returns and annual audited accounts
- Illegal operation of Fund Managers/Wonder Banks, etc

The enforcement arm of the Commission participated in the activities of the Inter Agency Committee on Illegal Operators/Wonder Banks to investigate their activities and seal up their offices in the country.

In 2013, the Order of the Federal High Court was obtained SEC v ALLGREEN INVESTMENT LIMITED & 30 Ors **(IST/OA/17/07)** to liquidate 26 out of 30 illegal Fund Managers/Wonder Banks which constituted 98% of the total claims of N104 billion.

The Commission, pursuant to the MMou entered into by members of the IOSCO, assisted the Hong Kong Securities and Futures Commission to carry out some investigations in Nigeria.

1ST QUARTER

2ND QUARTER

3RD QUARTER

4TH QUARTER

Thirty one (31) cases were referred to the Nigerian Police Force for criminal investigation and prosecution. These cases bordered on:

- Operating in the capital market without registration
- Misappropriation of funds
- Conversion
- Forgery and other suspected crimes

SNAPSHOT OF ENFORCEMENT ACTIVITIES IN 2013

Suspended Operators	17
Matters referred to the Police	31
New cases received	34
Resolved cases	58
Pending Cases	70
Illegal Operators Closed down	21

COMPANIES SEALED UP BY THE COMMISSION AND THE INTER AGENCY COMMITTEE ON ILLEGAL FUND MANAGERS/WONDER BANKS IN 2013

S/N	Name of Companies	Area(s) of Operation
1	New Nation/Women in Oil	Rivers, Sokoto and Kaduna States
2	Rosabon Financial Services Ltd	Lagos State / Port- Harcourt (Rivers State)
3	Gift from Above	Onitsha (Anambra State)
4	Baresi Capital Ltd	Lagos State
5	Joy Apple Investment Ltd	Lagos State
6	Divine Settlement Investment and	Lagos State

	Resources Company Ltd	
7	Obichi Investment & Management Nig. Ltd	Onitsha (Anambra State)
9	Fidex shares Resources Ltd	Onitsha (Anambra State)
10	Future Trust & Integrated Services Ltd	Onitsha (Anambra State)
11	Royal Benchmark Limited	Ibadan (Oyo State)
12	DMC Management Ltd	Lagos State
13	Valuation Trust Finance & Investment Ltd	Kaduna State
14	Helpzibar Nig. Ltd	Kaduna State
15	Flourish Dynamic Services	Kaduna State
16	Ayomefy Fudel Global Resources Nig.Ltd	Kaduna State
17	Tinamic Inv. Nig. Ltd	Kaduna State
18	Alhassan Gidado Finance & Inv. Ltd	Kaduna State
19	Skymark Integrated Inv. Ltd	Kaduna State
20	Sabon-gari Inv & Trust Ltd	Kaduna State
21	Cashflowabi Inv. Ltd	Kaduna State

Entities Suspended in 2013

SN	Name of Company	Nature of Enforcement action	Reason	Date of Suspension	Remarks
1	Ecobank Plc	Suspension/fine	Failure to carry out the Commission's directives	February 5, 2013	lifted
2	Gosord Securities Ltd	Suspension	Breach of the ISA 2007 and SEC Rules and Regulations	March 6, 2013	In force
3	Aims Asset Management Limited	Suspension	Non refund of sum invested	April 16, 2013	lifted
4	Vision Trust and Investment Limited	Suspension	Unauthorised disposal of shares	April 17, 2013	In force
5	Falcon Securities Limited	Suspension	Non rendition of quarterly reports	June 3, 2013	In force
6	Wizetrade Capital and Asset Management Ltd	Suspension	Unauthorised sale of shares	June 5, 2013	In force
7	Monument Securities & Finance Limited	Suspension	Unauthorised sale of shares .	March 4, 2011	lifted

8	Apel Asset & Trust Limited	Suspension/Fine	Special report on trading activities	Suspended by the NSE	Ongoing
9	EDC Securities Ltd	Suspension/Fine	Market Manipulation	"	"
10	Calyx Securities Limited	Suspension for One week/Fine	Allegation of market manipulation	"	"
11	Supra Commercial Trust Limited	Not specified	Unauthorised sale of shares	"	"
12	Securities Solutions Limited	Not specified	Market Infraction	"	"
13	LMB Stockbrokers Limited	Suspension	failure to submit divestment time table etc	October 30,2013	In force
14	Adamawa Securities Ltd	Suspension	unauthorised sale of shares, non execution of sales mandate , non remittance of sale	June 5,2012	lifted

proceeds					
15	Forte Financial Ltd	Caution placed on stock account of CMO, its directors and sponsored individuals.	Non remittance of returned money	September 5,2013	Lifted
16	Cashcraft Asset Management Ltd	suspension	Violation of section 155 of the ISA	September 18,2013	still in force
17	Summa Guarantee and Trust Company Plc	suspended	Filing of false / Misleading information	November 20,2013	still in force

CASES/ENTITIES REFERRED TO THE POLICE (NPF) FOR FURTHER INVESTIGATION

- 1 **Pa Olajide Akinkugbe V. Eagle Stockbrokers Limited**
- 2 Complaint against Autrus Limited
- 3 Gloria Ehimamiegho V. Riverside Trust Securities Limited
- 4 AVM Al-Hassan Vs Riverside Trust Securities Limited
- 5 Chibuzo Eronini Vs Irving Assets & Management Company Limited
- 6 Falana Augustine Fashina V. Epic Investment Trust Limited
- 7 Simon Emmanuel Onome V. Standard Life Investment Network
- 8 Complaints against G. Akomas & Partners Limited
- 9 Nwachukwu Nonso V. Fidex Shares

- 10 BGL Securities (Apochi Oyemowo) V. Fidelity Union Securities & Anor
 - 11 Olayinka Salimat Kareem V. Prudential Securities Limited
 - 12 Peter Adamu Usman V. Badmus Integrated Investment Limited
 - 13 Kasumu Kehinde V. Genesis Securities Limited
 - 14 Ikenga Emeghe V. Consolidated Investments Limited
 - 15 Agbawin Josiah V. Isaba Consultant Limited
 - 16 Jacob Adedapo Ajibabi V. Royal Benchmark Limited (Illegal Operator)
 - 17 Viva Securities Limited
 - 18 Arian Capital Management Ltd
 - 19 Core functions and Asset Ltd
 - 20 New Nation Limited/ Women in Oil
 - 21 Mrs Opral Benson Vs WT Securities Ltd
 - 22 Rosabon Financial Services Ltd
 - 23 Rigg Securities Ltd
 - 24 DMC Management Services Ltd
 - 25 Mr. Joel Emeka Okafor of Securities Solution Ltd
 - 26 Obichi Investment Management Ltd
 - 27 Future Trust Integrated Services Ltd
-

28 Fidex shares Ltd

29 Eagle Stockbrokers Ltd

30 Crown Fortune Securities Ltd

31 Isaba Consult Ltd

MATTERS REFERRED TO THE ADMINISTRATIVE PROCEEDINGS COMMITTEE (APC) FOR DETERMINATION

1 **SEC V. Mega Asset Managers Limited**

2 SEC V. Vicad Securities Limited & 16 Ors

3 SEC V. Sterling Registrars Limited Ltd & 6 Ors

4 SEC V. DVCF Oil & Gas Plc & 15 Ors

5 Complaints against Deap Capital Management & Trust Plc & 13 Ors

RECONSTITUTION OF SEC APC

The Securities & Exchange Commission's Administrative Proceedings Committee (SEC APC) is an administrative committee of the Commission. The Committee was reconstituted by the Board of the Commission at its 69th meeting of February 6 and 7, 2013 and inaugurated on May 15th, 2013. The Committee was reconstituted to ensure better transparency, fairness and participation of all the stake holders as well as the efficiency in the decision process.

SITTING OF THE COMMITTEE

In 2013, the SEC APC sat in respect of the following matters:

1. APC/2/2013: SEC V. VICAD SECURITIES LTD & 16 ORS
2. APC/1/2013: SEC V. STERLING REGISTRARS LTD & 6 ORS
3. APC/4/2013: SEC V. DVCF OIL & GAS PLC & 15 ORS
4. APC/5/2013: COMPLAINTS AGAINST DEAP CAPITAL MANAGEMENT & TRUST PLC & 13 ORS

MATTERS DECIDED ON BY THE APC AND CONFIRMED BY THR BOARD-

The decisions on the matters listed below have been confirmed by the Board:

1. APC/2/2013: SEC V. VICAD SECURITIES LTD & 16 ORS
2. APC/1/2013: SEC V. STERLING REGISTRARS LTD & 6 ORS

MATTERS AWAITING DECISION OF THE APC

1. APC/4/2013: SEC V DVCF OIL & GAS PLC & 15 ORS
2. APC/5/2013: COMPLAINTS AGAINST DEAP CAPITAL MANAGEMENT & TRUST PLC & 13 ORS

SECTION 4

- **ANNUAL ACCOUNTS**



REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE SECURITIES AND EXCHANGE COMMISSION

Report on the financial statements

We have audited the accompanying financial statements of the Securities and Exchange Commission ("the Commission") and its subsidiaries (together, "the Group"). These financial statements comprise the statement of financial position as at 31 December 2013 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Investment and Securities Act 2007 and for such internal control, as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion the accompanying financial statements give a true and fair view of the state of the financial affairs of the Commission and the Commission's subsidiaries as at 31 December 2013 and of the results of their operations for the year then ended.

Securities and Exchange Commission
Statement of Board members' responsibility

In accordance with the provisions of the Investments and Securities Act 2007, the Board of Commissioners is responsible for the preparation of the financial statements which give a fair presentation of the state of affairs of the Commission at the end of the year and its income and expenditure in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Financial Reporting Council of Nigeria Act.

The responsibilities include ensuring that:

- i. the Commission keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Commission and comply with the requirements of the Investments and Securities Act 2007
- ii. appropriate and adequate internal controls are established to safeguard its assets and to prevent and detect fraud and other irregularities;
- iii. the Commission prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied; and
- iv. it is appropriate for the financial statements to be prepared on a going concern basis.

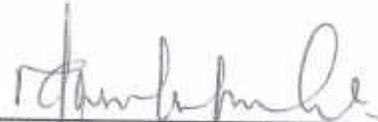
The Commissioners accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with the Investments and Securities Act 2007.

The Commissioners are of the opinion that the financial statements give a fair presentation of the state of the financial affairs of the Commission and of its income and expenditure and cash flows.

The Commissioners further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Commissioners to indicate that the Commission will not remain a going concern for at least twelve months from the date of this statement.

Signed on behalf of the Board of Commissioners by:



Dr. Suleyman Abdul Ndanusa, OON
Chairman



Ms. Arunma Oteh, OON
Director-General

Securities and Exchange Commission

Report of the members of the Commission for the year ended 31 December 2013 (Cont'd)

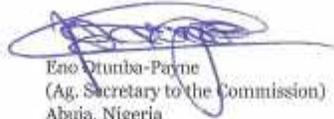
6 Financial commitments

The Commission is of the opinion that all known liabilities and commitments have been taken into consideration in the preparation of these financial statements.

7 Auditors

The auditors, Messrs PricewaterhouseCoopers, having indicated their willingness, will continue in office as auditors of the Commission.

By order of the Commission



Eno Ogunba-Payne
(Ag. Secretary to the Commission)

Abuja, Nigeria
28 March 2013

Securities and Exchange Commission

Statement of financial position as at 31 December 2013

	Note	Group		The Commission	
		31 December 2013 N '000	31 December 2013 N '000	31 December 2012 N '000	1 January 2012 N '000
Assets					
Non-current assets					
Property and equipment	10	3,724,910	3,724,910	3,858,468	4,057,633
Intangible assets	11	60,154	60,154	89,325	37,303
Interest in structured entities	12	-	15,000,000	-	-
Staff loans and other receivables	13	804,035	804,035	149,577	886,685
Held to maturity financial assets	14	7,583,606	7,583,606	7,635,990	9,072,470
Prepayments	15	2,466,018	2,466,018	1,007,472	1,883,114
Retirement benefit assets	19	203,501	203,501	47,817	-
Total non-current assets		14,842,224	29,842,224	12,788,649	15,937,205
Current assets					
Staff loans and other receivables	13	162,054	168,202	82,122	166,824
Held to maturity financial assets	14	1,462,992	1,462,992	1,409,928	2,086,046
Cash and bank balances	16	17,935,509	5,759,473	20,843,964	19,231,676
Total current assets		19,560,555	7,390,667	22,336,014	21,484,546
Total assets		34,402,779	37,232,891	35,124,663	37,421,751
Equity and liabilities					
Equity					
Capital grant	20	496,858	496,858	496,858	496,858
Capital reserve fund	21	447,676	447,676	447,676	447,676
Accumulated reserve fund	22a	31,291,371	30,765,449	22,887,417	23,016,782
Other reserves	22b	-	-	10,000,000	10,000,000
Total equity		32,235,905	31,709,983	33,831,951	33,961,316
Liabilities					
Non current liabilities					
Retirement benefit obligations	19	-	-	-	585,476
Total non-current liabilities		-	-	-	585,476
Current liabilities					
Sundry and other creditors	17	583,531	4,039,565	234,337	277,327
Provision for accrued charges	18	1,483,343	1,483,343	1,058,375	2,597,632
Total current liabilities		2,166,874	5,522,908	1,292,712	2,874,959
Total liabilities		2,166,874	5,522,908	1,292,712	3,460,435
Total equity and liabilities		34,402,779	37,232,891	35,124,663	37,421,751

These financial statements were approved and authorised for issue by the Board of Directors on 28 March 2014 and signed on its behalf by: